

Local Self-Government In India

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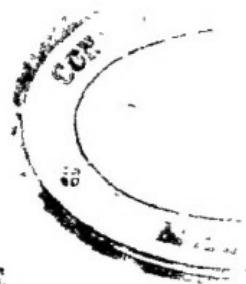
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PREFACE

This little book was originally written in 1944 as part of a National Reconstruction Series planned by the Progressive Club of the University of Allahabad of which the writer happened to be one of the members, at the time. The inspiration for launching forth the series came from the late Dr. Beni Prasad, the then President of the club and Professor and Head of the Department of Civics and Politics at the University of Allahabad. World War II was then drawing towards its close, and big changes were expected to take place in the various departments of national life of India as a result of the forces released by it. The object of the series was to discuss and point out the lines of reconstruction of the various aspects of national life. The present book sought to do this in respect of Local-self government.

MOT FOR LENGTHENING

The book was extremely well received by the press, the public, and University students and teachers of local self-government all over the country. A second and revised edition was brought out in 1951. Among others, the members of Taxation Enquiry Commission 1954-55 took notice of the book and its recommendations, some of which find a place in their own recommendations.

For the last few years the book had been out of print. Since the demand for it continued Messrs. Kitab Mahal, the enterprising publishers of Allahabad, pressed the author to bring out a new edition. Meanwhile, far-reaching changes in the system of Indian local government were taking place

in consequence of the scheme of reorganization recommended by the Balwantray Mehta Committee Report, and it appeared necessary to review and evaluate the new developments.

Accordingly, the book was revised and brought upto-date and it is once again in the hands of the readers. The credit for its reappearance is mainly due to Messrs. Kitab Mahal, Allahabad, but for whose zeal and insistence, the author would scarcely have found time to rescue it from oblivion.

The author would be extremely grateful to such of his readers as would favour him with suggestions for improvement.

University of Saugor

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M. P. Sharma

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RAJENDRA

INTRODUCTION

Local Government in the Context of Independence

With the advent of independence, the importance of local government in India has increased a hundredfold. The problems of training the masses into the art of self-government and of undertaking development schemes in the various spheres of national life and activity have now acquired an urgency they never possessed before. A properly organized and efficiently functioning system of local government is, however, a *sine qua non* for the success of these schemes. Whether it be democracy, or national defence, or an advanced industrial system—every one of them requires for its success an educated and healthy population. Unless we propose to enact in our country the harrowing tragedies of the early days of western industrialism, we must take care to develop the various social services, on which the welfare of the industrial worker is today based in the advanced countries. If we want good workers and soldiers, we must arrange for the education and sound physical growth of every child. That entails the inauguration of dozens of new services

connected with housing, nourishment, disease-prevention, maternity and child welfare, and the like. In all this, local bodies have a vital part to play, because the welfare services of the modern state, in view of the flexible technique of administration they require, are essentially municipal in principle and practice. 'Without the development of education and related services,' say the editors of *A Century of Municipal Progress*, 'modern commerce and industry would be impossible.a moment's reflection shows that it must be so. The enormous developments in the technique of industry and business administration have been possible only because we are not merely a healthy but also a literate people. Indeed our whole democratic system rests upon an educated electorate.'¹ Reform of local government in India, therefore, is one of the most urgent problems facing the country today, and it must be tackled without delay.

The popular Ministries, during the brief functioning of the Provincial Autonomy inaugurated under the Government of India Act 1935, took up the problem of this reform, and local self-government committees were appointed in some provinces, e.g. in U. P., and Bombay, to study and report upon the question. In the Congress provinces,

however, the ministries came suddenly to an end in 1939 over the war issue, and the reorganization of local self-government could not be proceeded with. In some provinces legislation was also undertaken about the local bodies, e.g. in the N.W.F. Province joint electorates were established; in Bombay, village panchayats were reorganized and certain electoral reforms for other local bodies were introduced; in C.P., adult suffrage for municipalities and direct election of the Chairman were provided for; in Madras an effort was made to tackle the problem of areas of rural self-government, and annual partial renewal of local councils was done away with; but all such legislation was only of an interim and piecemeal character pending a thorough overhaul which was to come later. Nowhere could the problem of reorganization be tackled in a comprehensive manner.

During the years of the constitutional deadlock (1939-46) no progress in local government reform could be expected, although the discussion of the problem continued. When the popular ministries returned to power in 1946, the task of reform was taken up again. The proposals of the committees of enquiries were modified in the

light of subsequent criticism and legislative shape was given to them.

The attainment of independence by the country in August, 1947 naturally accelerated the pace of local government reform. Fresh or amending legislation was undertaken in practically all the states to democratize the constitution of the existing local bodies, to extend their functions and to liberalize their finances. Direct election of municipal and district board presidents was substituted for indirect in states like U.P. and Madhya Pradesh. The accession and integration of the erstwhile princely states added areas where local government had yet to be established or developed. One of the directive principles of state policy contained in the Constitution required the state to take steps "to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government."¹ Accordingly Panchayat legislation of varying patterns was passed in the various states.

It cannot, however, be said yet that the reform wave has spent itself up or that the Indian local government has settled down and crystallized into its final shape. As a matter of fact much of

¹ Cons. of India Art 40.

what was done was done according to certain preconceived notions and slogans without caring to enquire in detail into the facts and needs of the situation. It is true that a number of enquiry committees and commissions were appointed and reported, but their members, amateurish for the most part, did their work sitting at the state headquarters and spun out their reports out of such notions as they had. Naturally, therefore, what they could suggest and what was done was of an experimental nature with the result that the piecemeal changes still continue to be made. In some cases, the changes made are being even revoked because politically or otherwise, they were found to be inconvenient, e.g. direct election of municipal presidents in the U.P. and reorganized Madhya Pradesh.

The planned development of the country which was undertaken soon after independence, and the community development and national extension service have raised the question of the role of local government authorities in their context. It has been felt that planning and its implementation must be democratic, i.e. based on popular initiative and participation. Local bodies being of the people and near to them ought, therefore, to serve as principal instruments of democratic planning and development. What should be the areas, constitution and

functions of the local bodies in this context ? This question was examined by a study team on Community Development and National Extension Service which was appointed in September 1956 by the Committee on Plan Projects of the Planning Commission. Its report (popularly known as the Balwantray Mehta report, after the name of Shri Balwantray Mehta, leader of the Team) has recommended a drastic reorganization of rural local government throughout India on a uniform basis.

In view of these developments it is of interest to enquire into the principles which should inform local government reform in our country and to make an appraisal of the reform schemes which have from time to time been proposed and implemented.

Line of Approach to the Problem

Discussion of local government reform in India has hitherto been generally conducted under the oppressive influence of the adverse conditions of today. The great poverty and ignorance of the masses, the paucity of the financial resources of the country, the inefficiency and friction with which the local bodies have hitherto worked, generally overawe the reformer in making his proposals, and induce him to whittle them down in the name of

practicability. The present approach to the problem tries to break loose from this vicious context and build on the belief that it can and shall be transcended. While care is taken to ensure that there is nothing inherently impracticable in the proposals put forward, they are based on the prospect of a progressive and prosperous India which is the goal of our national effort. It is assumed for the purposes of this discussion that both the national and state governments will actively pursue a policy of social amelioration and uplift, that they will expedite the agricultural and industrial development of the country by all the means at their disposal, and that from all this and a suitable reorganization of the tax system of the country, adequate human and material resources will be coming forth to enable the local bodies to pursue their course of progress. Given suitable planning and drive, the process of bringing about a transformation in the circumstances of the country need not be a long one, nor is it necessary for local government reform to wait till such a transformation has taken place. As pointed out before, such reform is one of the prerequisites of progress in other directions.

We have hitherto looked upon local self-government as a democratic concession

wrung from an autocratic government of the country and consequently the relationship between the state authority and the local bodies has presented itself to us as an issue between popular and despotic control. With the democratization of the higher rungs of the governmental ladder, such a view is obviously obsolete. That should not, however, mean that democratic state governments can be allowed to replace local authorities or absorb their functions indiscriminately. While central control over local bodies may increase in the interests of efficiency, a vigorous system of local self-government is still indispensable for the success of democracy, not only because it offers the widest possible opportunities for the political education of the people, but also because its co-operation and agency are essential in the successful administration of many of the welfare services which such a state in the present age must undertake. The proper relationship of the central and local bodies today is based not on division but integration of functions between the two. Partnership must replace the older rivalry and competition for power. This is the point of view adopted in this study throughout.

In a vast country like India, the details of local government organization must obviously

vary from state to state, and occasionally even within the same state. This is so today. There is no reason why it should be different in the future. The present discussion will, however, confine itself only to the main features of such an outline and will not attempt to work out the variations of details for the different states. It will also leave aside the consideration of problems that arise in the day-to-day administration of local bodies in connection with such matters as assessment and collection of taxes, use of coercive processes and the like. These constitute a separate field of enquiry and must not be mixed up with the broad constitutional issues which alone are treated here. These are six : (1) Local functions ; (2) Local areas and authorities (3) Constitutional structure of local bodies ; (4) Organization of local services ; (5) Relations between the state and local authority ; and (6) Local finance. The present discussion will be arranged under these heads.

I. LOCAL FUNCTIONS

Functions of local bodies in any country represent but a part of the sum-total of state activity. Local bodies have to function within the legal and financial framework of the State, and cannot be permitted to do anything which conflicts with its character and policy. A discussion of what the local bodies should do is, therefore, intimately bound up with the question as to what the state itself should do.

The functions of the state in any given community and at any given time are determined by the various social and economic forces at work, and the ethical standards that prevail. It is now commonly recognized that where the operation of social forces renders the individual helpless, there is a *prima facie* case for the state to come to his aid, but whether the state will actually do this or not, depends upon the prevailing view of the individual's worth. Where the innate dignity of each member of the community is recognized, it is deemed to be the duty of the state to provide the conditions of his fullest growth. Where this is not so, the helpless individual is looked upon as a superfluous burden and is left to his fate.

The gigantic forces let loose by the industrial revolution, and the scientific inventions of the last 150 years, have conspired to destroy the individual's self-sufficiency and capacity for self-help at some of the most vital points of his life. For no fault of his own, he may fail to get employment and face starvation. To earn his bread he may be compelled to live in a crowded city and languish for want of sunshine and fresh air. He may fall a prey to an industrial accident or catch one of the various diseases resulting from unsatisfactory housing. His best efforts to get over these impediments to good life may prove unavailing. Since the state helps to maintain the system which produces these sordid results, justice demands that it should do its best to neutralize their deleterious effects by pursuing a policy of public welfare. In democratic countries the demand for such a policy is made imperative because of the popular control over the government, and the prevailing ethical outlook, which deems the life of each individual member worth preserving and developing to the utmost.

This then is the hall-mark of progress reached by the modern society and State. They may seek to limit the number of their members by various means like birth control or restrictions on immigr-

tion, but once an individual is born or naturalized in them, they assume responsibility for his welfare in all those matters in which he cannot help himself. This fundamental need of the situation makes the progressive state of today essentially a welfare state.

What is the place of local bodies in the scheme of such a state ? On account of their nearness to the people, their wider representative character, and their intimate knowledge of the means and wants of the inhabitants of their area, the state has found in them its most effective instrument for social amelioration. National administration of a service is essentially standardized and uniform. Welfare services on the other hand require a flexible technique to prevent hardship and waste in individual cases. The local bodies, by virtue of their natural familiarity with the requisite details of the situation are eminently suited to evolve such a technique. Accordingly, the administration of social services is left to them. This is their specialized field of activity today. The traditional view that local functions are the concern of the locality itself has lost its validity. There are no local functions in that sense now. Making and upkeep of local roads, lighting, drainage, cleansing, etc., which were at one time supposed to be purely local concerns have, under modern scientific analysis, been found

to involve important national aspects as well. Under these conditions there can no longer be any clear-cut demarcation of spheres of influence between central and local government. They must collaborate according to their special aptitudes over the entire field of governmental activity. Mill pointed out these aptitudes of the two bodies long ago in words which are as true today as when they were written. "In details of management," he said, "the local authority will generally have the advantage, though in comprehension of principles even on purely local management, the superiority of central government when rightly constituted, ought to be prodigious. The authority which is most conversant with principles should be supreme over principles while that which is more competent in details should have details left to it. The principal business of central authority should be to give instructions ; of the local authority to apply them. Power maybe localized, but knowledge to be most useful must be centralized."

Local functions, thus conceived, become much more than mere parochial concerns of a town, city or village. They assume the character of those vital influences that shape the life of the nation. "The city councils' services," says Sir Ernest Simon, "mean the difference between savagery and civi-

lization." Speaking of the contribution of local bodies to the health, prosperity and well-being of the English people, the editors of *A Century of Municipal Progress* say, "Local government in the past hundred years has halved the death rate and reduced infantile mortality rate by three quarters. It has taught us to think of the cholera which used to be a periodical menace as something remote and oriental. The other infectious diseases, and such diseases as tuberculosis, have been reduced to proportions which would have been regarded a century ago as almost Utopian. These are facts which can be proved by statistics. We cannot prove in that way the enormous increase in the comfort and convenience of the people."¹

The moral of this for us in India is plain. If we are to realize our ambition of seeing our country take her due rank among the nations of the world, we must strain every nerve to lift our masses out of their present environment of ignorance, disease and starvation, and in this task we must enlist the co-operation of the local bodies. Their functions must be determined in the light of the above requirements.

¹ Pp. 11-12.

It is obvious that to draw up an exhaustive list of functions for our municipalities, local boards and village panchayats, within a short compass of space, is not possible. The problem of urban authorities with their compact mass of population are essentially different from those of the rural areas. The administrative and financial competence of various grades of local bodies vary enormously. In the present discussion, therefore, we shall take separately the principal types of existing local authorities which are three, namely, municipal boards, district boards, and village panchayats ; describe their existing functions briefly ; examine the various proposals made to augment them ; and then finally indicate in what directions additions may most appropriately be made to them.

2. MUNICIPAL FUNCTIONS

Legal Basis

Following the English practice the powers and functions of local bodies in India have been determined by the method of specific grant. They possess only those powers that are specifically given to them under some law. Some of these are obligatory and must be exercised, while others are optional and may or may not be exercised according to convenience.

Traditional Functions of Indian Municipalities

The principal obligatory functions of an Indian municipality are the construction and maintenance of roads ; their cleansing, watering, and lighting; abatement of public nuisances ; regulation of dangerous and offensive trades; water supply; drainage; maintenance of hospitals and dispensaries ; vaccination ; construction and maintenance of public markets, slaughter-houses, and sanitary conveniences; arboriculture; education, specially primary ; fire protection, etc. Their permissive functions relate to laying out of new public streets in areas whether built upon or not, and providing building sites along them ; reclamation of unhealthy localities ;

acquisition of land ; construction and maintenance of public parks, gardens, libraries, museums, lunatic asylums, travellers' rest-houses, camping grounds, poor-houses, dairies, baths, washing places, bathing ghats, and similar other works of public utility; census and surveys ; giving of relief in case of local calamities ; establishment, management, or subsidizing of water, electricity and transport undertakings; holding of fairs, exhibitions, etc. Minor differences of detail exist in various states, but the above list is fairly illustrative of the existing municipal functions.

Municipal Functions in Some Foreign Countries

The English boroughs and county boroughs besides possessing the functions of our municipalities enumerated above, have also many more. These are police, certain duties in connection with administration of justice and maintenance of lock-ups and places of detention, inspection of weights and measures, housing and town planning, poor relief (county boroughs only), administration of numerous national acts connected with shop-hours, relief of distress, probation of offenders, medical and unemployment insurance,¹ etc. They have also a

¹ See the table of Local Functions in Finer's *English Local Government*, pp. 35—38.

much wider latitude in the matter of public utilities and trading services. Besides owning and operating water, gas, electricity and transport enterprises which are quite common now, some of them have obtained by private acts, the power to establish municipal savings bank (Birmingham), telephone services (Hull), conditioning houses (Bradford), harbours and shipping canals (London and Manchester), etc.¹

German municipalities² have a still wider field of activity. Many of them are big land-owning corporations, possessing not only 50 to 75 per cent of their town sites, but also big agricultural and forest estates outside, the income from which is an important source of municipal revenue. Land acquisition by them is not limited to specific purposes as in England. The range of their trading services is much wider than of the English municipalities. They own and manage theatres, cinema houses, concert-halls, pawn-shops, hotels and restaurants, meat and vegetable shops, bakeries, and can finance building and mortgage societies. Their non-trading functions also cover a wide field. Besides performing the usual municipal duties, they can

¹ *A Century of Municipal Progress*, pp. 302-303.

² This description is applicable to German municipalities up to the year 1933 only, i. e. until the advent of the Nazi regime.

divide their towns into zones allotting each to a specific kind of use and architectural pattern, fix hours of work and the time for payment of wages, act as guardians of illegitimate children, start health, unemployment and fire insurance, and do lots of other things not permitted to the English municipalities.¹ As a matter of fact, in Germany and many other Continental countries, local functions are not at all specifically defined by law. Local bodies may undertake anything that is necessary and useful for the local community, subject to the right of the state to impose a veto when it thinks fit. They can add to their powers by making new bye-laws which, however, require state approval.

American municipalities, in respect of their functions, follow the English model.² In the matter of trading enterprises, private initiative is more dominant than in England. Another important difference arises in respect of education, which in U.S.A., is not a municipal function, but is placed under separate school boards. In towns, however, their jurisdictional area generally coincides with that of the municipalities, and like the latter they are also popularly elected.

France makes no distinction between her

² Dawson, *Municipal Life and Government in Germany*, pp. 30-32.

villages and cities calling both by the name of Communes. Legal basis of local functions in France is the same as in Germany, *i.e.* general enablement, but the actual range of municipal functions is much smaller, specially in the matter of trading services.¹ Education in all its branches is completely nationalized and so also police. France in fact is the land of centralization rather than of local self-government.

Russia is the home of socialism both national and municipal. The town Soviets which are the Russian prototypes of our municipalities, besides exercising the usual municipal functions, regulate also the entire political and economic life of the local community. Commerce, industries, retail trade, co-operation, housing, land-partition, criminal justice, recruitment and mobilization, protection of the revolutionary regime, supervision and application of the national progress-plans to production—all these come under their jurisdiction.² They supervise and control all the organs and institutions of government functioning within their area, and may voice the dissatisfaction of the local community with any of them when necessary. They act in the dual capacity of agents of the central government and the representative bodies of the local community.

¹ Finer, *English Local Government*, pp. 191-192.

² Harris, *Local Government in Many Lands*, p. 229.

Among British Dominions, Canada is very liberal in the grant of powers to her municipalities which control local police, education, public health, poor relief, roads and agricultural and industrial development generally. They own their water, electric, transport and other public utility services. In Australia and South Africa the municipalities are less well off. They have nothing to do with police, education, poor relief, etc., and are confined largely to sanitary and public health duties.

Functions of Foreign and Indian Municipalities Compared

Compared with municipalities of advanced foreign countries, the functions of our municipalities are less extensive, principally in three directions, namely, police, trading enterprises, and the big group of social services comprising health, housing, sickness and unemployment insurance services, poor relief, etc. Some of these are not even legally permitted to our municipalities, e.g. police, trading services other than water, electricity and transport, social services like housing, public assistance, etc. But apart from the legal restrictions, the main difference between our municipalities and their foreign prototypes is to be found in the fact that even in respect of the legally permitted functions like education or water supply, the actual standard of development

here is very low. In an advanced country like England, educational activities of municipalities mean compulsory and free elementary instruction for every child, provision of school meals for poor children, a fully developed school medical service, physical culture, industrial and technical education, and provision of libraries, museums and art galleries on a more or less extensive scale, but few municipalities in India, have yet been able to provide for free and compulsory primary education, not to mention other things.¹ School medical service is of the most perfunctory and incomplete sort. Provision for school meals beyond occasional distribution of water-soaked grams, is wholly absent. Museums and libraries are the exception rather than the rule.

It is the same with public health. Some idea of the wide scope of public health administration of a progressive local authority of these days can be formed from the list of services that the English Municipalities provide under that name. These are more than a score and include water supply, prevention of the pollution of water sources, cleansing and removal of nuisances, sewers and sewage disposal, inspection of food and drugs, epidemic control, provision of burial grounds and crematoria, regulation of markets, registration of vital statistics, housing

¹ Blunt, *Social Services in India*, p. 259.

and town planning, industrial welfare, and inspection of workers' places of work, maternity and child welfare, hospitals and dispensaries of general kind, and specialized ones for the treatment of infections, tubercular, venereal, rheumatic and mental diseases, care of the mentally deficient and the blind, health and unemployment insurance, ambulance service, public conveniences like baths, wash-houses, etc., provision of parks, pleasure grounds and open spaces, vaccination and so forth. Our municipalities have no power to undertake many of these services, but even within the field of their legal competence, their record on the whole is very poor. Even such a basic health service as the provision of a piped system of water supply is confined only to a small minority of our municipalities, e. g. in U.P. only 17 out of 85 and in Bombay only 36 out of 150 municipalities have such a supply. In the whole of India, of the 163 towns with populations of over 30,000, no fewer than 51 were without a proper water supply in 1935, and of the 1,131 towns with populations of less than 30,000, only 149 had a protected supply.¹ In England on the other hand no town is without piped water supply and even most of the villages have it. In 1940-41, of the

¹ Public Health Commissioners' Annual Report, 1935, Vide Blunt, *Social Services in India*, p. 167.

total number of parishes, 7,754 had such a supply and only 3,432 were without it.¹

It is the same with other health services. The total number of maternity and child-welfare centres in India in 1935 was only about 800 and even of these many hardly deserved that name², while in England the number of such centres maintained by local bodies was 2,832, and by private associations 796.

The total number of hospitals and dispensaries of all kinds about the year 1935 in the whole of India was only 7,700 of which, 3,400 were in municipal and 4,300 in rural areas.³ Each of them served on the average a population of 62,000!

Public utility undertakings, water, electricity and transport enterprises, are legally permitted to our municipalities, but the existing number of these is very small. We have given above the position in regard to water supply undertakings. It is still worse with electricity and transport enterprises. There are only a few municipalities like Bombay, Calcutta, Kanpur etc., which own electric undertakings. Elsewhere the supply of electricity is in the hands of private companies, and the number of towns

¹ *Municipal Year Book of English Local Authorities, 1943.*

² Blunt, *Social Services in India*, p. 201.

³ *Ibid.*, pp. 194-195.

with electric lighting is probably even far fewer than that of towns with piped water-supply. To the rural areas, of course, electricity is practically unknown except in the grid areas of western U.P., and the Western Ghats. In England on the other hand, of about 12 million inhabited dwellings in 1938 in all the parts of the country, no fewer than 7.8 millions had been wired. It is complained that municipal enterprise in electricity supply is hampered by the unsympathetic attitude of state governments, which have hitherto used their power of licensing under the Indian Electricity Act 1911, in such a way as virtually to exclude it from this field.

The case of transport enterprises is still worse. Probably no municipality in the country, except the presidency Corporations, owns a tramway service of its own. But the number of even privately owned transport enterprises in Indian towns is very small, probably not more than a dozen. In U.P., no town except Kanpur, Allahabad and Banaras has a public transport service of any kind. In remarkable contrast with this state of affairs, England had in 1938-9, 78 tramways and 59 trolley bus service undertakings outside London, while the London Passenger Board had 58 such undertakings in its own area.¹

¹ *Municipal Year Book of English Local Authorities, 1943*, p. 106.

Causes of Municipal Backwardness in India

While part of the backwardness of our municipal functions is undoubtedly due to the existing state of municipal law, which on many points is less liberal than it should be, to a much greater extent it is the result of the failure of the state governments to formulate plans of local progress and enforce them suitably.. Where they have done this, *e.g.* in the expansion of education since 1918, a good deal of progress has been achieved. Elsewhere things have stood still. For, it must be realised that Indian local bodies depend for the expansion of their activities, to a large extent, on the financial help rendered by the state governments through grants-in-aid, loans, etc. Their own resources seldom suffice for this. They also need central encouragement, guidance, and help at every step. This is so not only in India, but also in an advanced country like Britain. “Even where Parliament has imposed obligations in the most peremptory terms and in most vital matters affecting the health, education, and order of the country,” says Dr. Finer, “the central authority has in very many cases only been able to secure a reasonable standard of efficiency by constant pressure and encouragement, by inducement of grants, by occasional threats to act in default, by the assistance of its inspectors, by teams of correspondence—and even

then there has frequently been entire or partial default."¹

Need of the Future

It is thus obvious that mere legislation is not enough to insure due development of local functions. The state governments must see that such legislation is utilized and implemented by the local bodies up to a satisfactory standard. Hitherto the main excuse of the state governments for their inactivity in such matters has been the lack of financial resources. It is, however, they alone and the Government of India that can overcome this difficulty. Nature did not intend India to be poor. She has provided her with abundant natural resources. If these remain undeveloped and consequently the country is poor, the responsibility for that is theirs. They cannot excuse themselves by taking shelter behind the inevitable results of their own policy.

The need of the future, therefore, is that the state governments should formulate five or ten-year plans of local progress in matters of education, health, water supply, and other branches of local activity, and see to their fulfilment by the local bodies. Each such plan must of course have suitable financial

¹ Finer, *English Local Government*, pp. 182-3.

provision for its realization. The additional resources needed for such provision must be obtained from the speedy economic and industrial development of the country. Such development will take some time to yield results, but the examples of other countries, situated more or less similarly as India, show that it need not be long. Much can be achieved even within a short term of 10 years. To start with, borrowing may have to be resorted to, to finance expansion. If crores can be raised for by loan for war purposes they can equally be raised for purposes of peace, provided that there is the same will to do so.

Question of Additional Functions

While the full expansion of the existing functions of our municipalities is urgently required, it does not mean that additional functions should not be conferred on them till this process is complete. Municipalities must not be treated like school boys who must pass a given examination to be promoted to the next higher class. Local functions constitute a unity, and the absence of one requisite function may affect adversely the management of others that already exist. Health administration is meaningless without suitable provision for housing. Education will not yield its best results if the children are hungry.

and ill. People in destitution cannot be made healthy even with the best medical service available. In matters of public welfare we cannot proceed by halves. That way lie inefficiency, failure, and waste.

Proposals of U.P. Local Self-Govt. Committee

The U.P. Local Self-Government Committee (1938) suggested a number of additions to the existing municipal functions. These were police, certain duties in connection with the administration of justice, labour welfare, removal of the disabilities of the depressed classes, maternity and child welfare, town planning and housing, provision for the treatment of infectious and constitutional diseases, tackling of the beggar nuisance, provision of birth control clinics, health and unemployment insurance, promotion of physical culture and of trade and industry, provision of radio sets, etc.¹

The Proposals Examined

Most of these proposals are unexceptional and form part of the functions of progressive municipalities elsewhere. An objection has, however, been taken to the first two items of the list, namely, police and administration of justice. These, therefore, need a brief examination.

As regards police, the object of the Committee

¹ Report of The U. P. Local Self-Government Committee, Vol. II, p. 37 Paras 108 and 109.

was not to place the state police forces stationed in the towns under municipal control, but to create an additional municipal force, whose duties would be confined to the regulation of traffic, suppression of nuisances, protection of public property, enforcement of municipal bye-laws, and co-operation with the regular police in the preservation of public peace and order. Their reasons for this proposal seem to be firstly, that the existing police force in the towns is not quite adequate for these purposes, and secondly, that it is not responsive enough to the wishes and needs of the municipal authorities, and its co-operation when wanted is not readily forthcoming.

Against this proposal, it has been argued that even in the Western countries police is under local bodies only nominally. In England, for instance, the watch committees of county and borough councils are wholly autonomous in police matters and the councils cannot even discuss, much less alter their decisions. Training, housing of constabulary, etc., are most economically provided for under a unified national police force. In India police used to be under the municipalities till about the beginning of the present century and was removed from their control because they could not be given effective powers in the matter. The experience of the past is, therefore, against the proposal. There will be

danger of the municipal police being drawn into local politics, and under the prevailing party and communal differences, their actions will not command the confidence of the people.

These criticisms would be unanswerable, if it were proposed to place under the municipalities the regular police with its duties of preventing and detecting crime and maintaining law and order, but they are wide of the mark in the case of the modest proposal of the Committee. The proposed municipal force would have under it purely municipal matters referred to above. In these, even the existing police has to act, when it does so, according to municipal rules and regulations. There is no reason why a police force under municipal control, for doing the same work, should be less acceptable to the public. Municipal officials usually do admit the need for a municipal police of some kind. The existing municipal Acts enjoin upon every police officer the duty of informing the board of any offence under such Acts, and of assisting the municipal authorities in the exercise of their lawful powers,¹ but it is complained that such information and help are not readily forthcoming. Because of this laxity, people defile the streets, gutters and open spaces unchecked, coercive proceedings against defaulters

¹ See e.g. *The U. P. Municipalities Act 1916*, Sec. 317.

are delayed, and municipal property is wantonly damaged.

It is sometimes suggested that the proper remedy for this is to enlarge the existing police force rather than create a new one, or to confer police powers on appropriate municipal officials themselves. These alternatives do not meet the needs of the situation. A provincial police force even when adequate in numbers, acts independently of municipal control and is prone to give a step-motherly treatment to its municipal duties and obligations. For various reasons into which it is unnecessary to enter here, its whole mentality and outlook are of a peculiar character and essentially different from those of English or American police. The latter even though they be only nominally under local control, look upon themselves, through long association and habit, as servants of the local community. That is not the case with our police.

Moreover, prevention of nuisances, regulation of traffic, etc., are specialized duties which are best performed not by the general police force of the state but by municipal forces specially trained for the purpose. "When the scope of governmental operations was comparatively narrow," says Professor Willoughby, "it was quite feasible to entrust to a

single police force the duty of detecting and bringing to prosecution offenders against all classes of law. With the increase in the variety of enactments to be enforced, the question is presented whether this policy can be indefinitely maintained; whether it is not better to provide for special police forces for the performance of particular kinds of duties. A beginning in this direction was early made in the creation of special inspection forces such as factory, mine, building and food inspectors who had police powers..... This policy of creating special police forces may well be extended.”¹ Conferment of police powers on municipal officials will provide them with legal authority, but what is wanted is not merely that but also a personnel for exercise of coercion when necessary, or for sanitary patrol purposes. We need not be frightened by the prospect of a duality of police force in our towns, for their purposes will be entirely separate and distinct. To remove all possibilities of partisan suspicions attaching to the municipal force, it may not be made a part of their duty to co-operate in the maintenance of peace and order, but seeing that in times of disturbances the co-operation of even ordinary citizens is utilized

¹ Willoughby, *Principle of Judicial Administration*, pp. 161-62

for maintenance of peace, it seems illogical and perverse to exclude the municipal police force from such duty.

The conclusion; therefore, is that municipalities should have police duties and a police force under them, as suggested by the U.P. Committee.

In the administration of justice, the share of the municipalities according to the Committee's proposal would merely be to select from outside their membership, a panel of names out of which the government would select benches which would nominate the judges of the municipal bench. Such a bench would deal with the civil and criminal cases arising within the municipal area, up to a certain limit, e. g. to the value of Rs. 1,000. The bench would replace the lower grade stipendiary judicial officers and magistrates. Its work would be entirely under the control of the government and the municipalities would have nothing to do with it. This being so, the real issue involved in the proposal is not whether administration of justice should be a local function, but whether a semi-elective honorary agency should replace the stipendiary one in the administration of justice. The question is one of principles of judicial administration rather than of

local self-government. The Committee probably borrowed the idea of elective municipal courts from the American cities, and saw in its adoption an inexpensive solution of the problem of separation of the executive and judiciary, but such courts have not worked well in America and are condemned by the Americans themselves.¹ Anyway, so far as the municipalities are concerned, administration of justice should certainly not be one of their functions.

Reforms Actually Made

As a result of the recommendations of the various Committees appointed from 1937 up-to-date, certain additions have been made to municipal functions in some of the states. Thus in the U.P. provision for maternity and child-welfare centres and institutions of physical culture have been added to the compulsory list of municipal functions while provisions for reading room, radio receiving stations, leper homes, orphanages, lunatic asylums, rescue homes for women, housing and town-planning schemes, promotion of trade and industry, labour welfare, control of beggary, and the removal of social disabilities of the scheduled castes have been added to the list of their discretionary functions.

¹ See e. g. Willoughby, *Principles of Judicial Administration*, pp. 302-306.

Another significant development has been to raise the bigger municipalities to the status of municipal corporations. Thus Ahmedabad and Sholapur in Bombay, Nagpur (now in Bombay State) and Jabalpur in Madhya Pradesh, and Kanpur, Allahabad, Banaras, Agra and Lucknow (the so-called 'Cabal' or 'Kabal' towns) in the U.P. have been converted into corporations. This has meant an increase in the functions and powers of the municipal bodies of these towns.

Conclusion

The conclusion, therefore, is that our municipalities should retain their existing functions and should be enabled to develop them to a satisfactory standard. The main lines of such development in respect of education and public health have been indicated above. The standard to be aimed at should be to make these services available to all the parts and to the entire population of our cities. It is worthwhile repeating that such development will not be achieved unless the authorities apply a steady and watchful pressure on local bodies and supply the financial means and expert guidance. As for the extension of municipal functions, that must princi-

pally be done in the sphere of social services like housing, slum clearance, town improvement, public assistance, health and unemployment insurance, etc. Such services must not be regarded as luxuries. On them will depend the economic, industrial, and political development of the country. Trading services of the municipalities are a valuable help in redressing the social balance in favour of the poor and in providing means of a healthy and cheerful existence to the citizens generally. Besides water, transport, and electricity enterprises, our municipalities should also be allowed to take up the building and letting of houses, milk supply, publishing enterprises, clothing factories, hotels and restaurants, laundry service, telephone, theatres, cinemas, etc. Improvement of trade and industry should be one of their most important functions and it should mean not merely the holding of shows and exhibitions as at present, but preparing development plans based on expert survey of the possibilities of their several towns, and helping in its realization by starting model industries of their own and providing help and guidance to private initiative in the matter. In the so-called necessary functions of the state like police, administration of justice, etc., they should ordinarily

have no share, unless some powers in these directions appear to be essential for the satisfactory exercise of the rest of their functions. To this end, the proposal of the U. P. Committee for a municipal police force for strictly municipal duties has been commended above.

3. FUNCTIONS OF DISTRICT BOARDS

Existing Functions

With certain important differences, the functions of district boards are similar to those of the municipalities. Like the latter they too have obligatory duties in respect of roads and communication, arboriculture, medical and veterinary institutions, vaccination, sanitation, regulation of dangerous and offensive trades, water supply, education, pounds, ferries, poor-houses and asylums, public parks and gardens, agricultural and industrial improvement, etc., and have permissive functions in matters of laying out new public streets, reclamation of unhealthy localities, registration of vital statistics, prevention of river pollution, construction or subsidizing of railways, tramways or other means of locomotion, etc. The principal differences between municipal and district board functions are that the latter do not undertake public cleansing, lighting, regulation of building, etc., and their public health activities are much more elementary than those of municipalities, being confined generally to vaccination, permanganation of wells, and control of epidemics. With the exception of two district

boards in Madras which hold valuable railway property, they do not own or operate public utilities of any kind, nor are they empowered to do so. The most important of their activities, accounting for more than 80 per cent of their expenditures are : primary and secondary education, roads, medical relief, pounds, and ferries.

Very Poorly Developed

The functions of district boards are less developed than even those of the municipalities. Thus in education, two-thirds of the male children of school-going age in the U. P., are still not in schools and if we consider the female children also, 80 per cent of the total number of children do not receive any schooling. The number of hospitals and dispensaries is hopelessly small, e. g. in the U. P., on an average one dispensary (allopathic and indigenous included) serves 132 square miles of rural area and 560,000 of rural population. Public health expenditure per head of population is only 6 pies. Road mileage is small and even the existing roads are often in a bad condition. Financial inadequacy to a great extent, and partly mismanagement, are responsible for this state of affairs.

The Leeway Must Be Made Up

It is obvious that the making up of the leeway in respect of the existing functions of district boards, like education and public health, is the first need of the situation. Education, specially primary, must be made compulsory for every child. Adult illiteracy must be liquidated in the shortest possible time. Libraries; reading rooms, and radio sets should be available for every village to provide instruction and recreation for its inhabitants. There must be a dispensary within walking distance of every village. Each village should also have its duly protected water-supply. Cholera, malaria, small-pox and plague epidemics take a heavy toll of life every year. Public health administration of the boards must banish these epidemics. In countries like England modern public health administration has made them things of the past.¹ The same can be done in our rural areas. Blindness, total or partial, afflicts a considerable number of our rural population and its prevention and treatment should be a special care of district boards. Communications should be so developed that no village will be cut off from its natural markets.

¹ *A Century of Municipal Progress*, p. 182.

Additional Functions

While progress in the above directions is urgently necessary, it is equally essential that the district boards should have the power to organize for the rural areas the same social services which have been advocated above for the municipalities. It is true that there are and will always be important differences between the problems of urban and rural areas, and these will be reflected in the respective functions of rural and urban authorities, but such differences should not be over-emphasized, or interpreted to mean that rural populations should always be content with lower standards of living than urban. A clean water supply, satisfactory housing, maternity and child welfare, health and unemployment insurance, etc., are as much needed by rural people as by urban. The complacent belief that in rural areas there is no overcrowding or poor housing, or environmental insanitation, is altogether unfounded and the sooner it is given up the better. The district boards must be empowered to deal with these and similar other problems.

Some Proposals

In connection with the extension of the functions of the district boards, four sets of pro-

posals, made by Pandit D.P. Misra, Congress Minister for Local Self-Government in M. P., the U. P. Local Self-Government Committee and the U. P. Primary and Secondary Education Reorganization Committee and the Balwantray Mehta Committees deserve notice.

Scheme of Pandit D. P. Misra

Pandit Misra's scheme contemplated the extension of the district board's sphere to the whole of the district administration, so that the district magistrate would become its principal executive officer, and the whole of the district staff part of its own staff. The actual powers of the board over the various branches of district administration would vary from mere advice to final control. For this purpose all administrative matters would be grouped into four classes. In class I would be those matters which must be put before the board but in which the collector might accept or reject advice ; class II would include matters which would have to be submitted to the provincial government for its decision with the collector's recommendation, but only after they have been discussed and voted upon by the council ; class III would be made up of those matters which can finally be disposed of, if the

collector and the board agree and finally to class IV would belong those matters in which the decision of the board would be binding on the district magistrate. Pandit Misra claimed three principal advantages for this scheme. In the first place it would secure for the district board an efficient executive and administrative staff made up of the collector and his subordinates without any additional cost. Secondly, it would mitigate the bureaucratic character of the district administration. Thirdly and lastly, it would add to the importance of local self-government in the eyes of the people and would thus stimulate their interest in it.

Views of U. P. Local Self-Government Committee

The U.P. Local Self-Government Committee proposed to give to the district boards new powers for maintaining a police force and civic guards and administration of justice as in the case of municipalities. Secondly, the district boards would have power to supervise and control lesser local bodies in the district like village panchayats, and to exercise their functions where they did not exist. Thirdly, they would have under them the various social services for the rural areas, e.g. maternity and

child welfare, rural development work, uplift of the depressed classes, health and unemployment insurance, village and town planning, etc. Fourthly, they would be empowered to establish public utility and trading services especially in the spheres of water, and electricity supply, transport of passengers and goods, telephone services and supply of milk and dairy produce. Finally, they would be given powers in respect of agricultural and industrial development of the rural areas, marketing, co-operation, inspection of weights and measures, etc.

The Committee thus contemplated the extension of the board's functions principally within the commonly accepted sphere of local self-government, and did not seek to unify them with subjects of general district administration. It, however, adopted Pandit Misra's ideas regarding the association of popular representatives with the district administration in a different way. It proposed the creation within each district, of a council made up of the district magistrate, chairman of the district board and all the municipal boards within the district, representatives from each tahsil elected by *paragana* committees, members of provincial legislature returned from the district, the super-

intendant of police, and the civil surgeon.¹ This council would advise and control the district magistrate as in Pandit Misra's scheme and for this purpose the subjects of district administration would be classified into the same four groups.²

Views of U. P. Educational Reorganization Committee (1939)

While the above proposals sought to extend the sphere of district local self-government in one way or another, the U. P. Primary and Secondary Education Reorganization Committee recommended the transfer of education from the local bodies to the state government on grounds of maladministration.³ In Bombay this was actually done by an amendment of the Primary Education Act of that Province. The Local Self-Government Committees, however, both in U. P., and in Bombay opposed such transfer and felt convinced that local bodies should continue to administer education.

¹ *U. P. Local Self-Government Committee Report*, Vol. II, p. 4 and para 167.

² *Ibid.*, paras 168-169.

³ *Report of the U. P. Primary and Secondary Education Reorganisation Committee*, 1939, p. 108, para 6.

⁴ See *U. P. Local Self-Government Committee Report*, p. 13 para 31, and Summary of Bombay Local Self-Government Committee Report in *Directory of Local Self-Government in India* (Local Self-Government Institute Bombay), p. 36.

Survey of the Reforms Actually Made

As a result of the reforms already made, in some of the states, for example, the U.P., maternity and child-welfare, physical culture, some development activities including cottage industries, volunteer corps, etc., have been added to the list of the compulsory functions of the district boards.

The most revolutionary changes in the matter of local functions were made by the so-called Janapad Scheme of Madhya Pradesh, launched forth by the Local Government Act 1948 of that state. Section 52 of this act empowered the Government to transfer to Janapada Sabhas all the subjects of state and district administration except police and administration of justice. If it were implemented, then collection of land revenue, co-operation, irrigation, roads, various sorts of development activities—all these would come under the Janapadas and the government personnel engaged in the administration of these services would also work under the control of the Janapadas for all practical purposes, although legally speaking, in respect of these transferred functions the Janapadas would act as the agents of the state government and would

be obliged to carry out any instructions it might issue. The Government would also determine the additional funds to be placed at the disposal of the Janapada Sabhas for the carrying out of these agency functions. In practice, however, no functions except certain categories of roads and public works were transferred. With the reorganization of Madhya Pradesh with the areas of Madhya Bharat and Vindhya Pradesh (1956), integration of local government systems of all these parts is in the offing and the Janapada scheme in its original form, seems to be destined to disappear.

As far as other states are concerned, no radical changes in the functions of district boards, have so far been made. Management of schools has, however, been taken over by the state government in Bihar.

If the recommendations of Balwantray Mehta Committee are implemented as seems to be likely at the time, district boards in their present form will disappear. Their successors, Zila Parishads, will be chiefly co-ordinating bodies. The Panchayat Samitis at the Block level will receive a large volume of functions consisting of the traditional local government matters as well as

subjects of developmental and general administration, hitherto in the hands of the district authorities and their subordinate officials. This scheme of large-scale devolution of functions to local bodies is in pursuance of the policy of what the Balwantray Mehta Committee have called 'democratic decentralization.' In conception, it very much resembles the 'Janapada Scheme' adopted in old Madhya Pradesh with the difference that the area adopted is not the tahsil but the Block.

Balwantray Mehta Committee Report

As will appear from the discussion under the heading area, the Balwantray Mehta Committee has recommended the abolition of the district board and substituted in its place two bodies—the Panchayat samiti at the block level, and the zila parishad at the district level. Below the block, there would be the village panchayats.

Taking these substitutes for the district boards, the Panchayat Samitis and the Zila Parishad, we find that the Panchayat Samitis would be responsible for the development work generally.¹ The more important items of this work are

¹ Report, Vol. I, p. 7.

development of agriculture, improvement of live-stock, promotion of local industries, supply of drinking water, public health and sanitation, medical relief, relief of distress caused by natural calamities, pilgrimages and festivals, communications, management of schools, welfare of women and children and of backward classes, fixation of wages under the minimum wages Act, collection of statistics and maintenance of records, high schools where necessary, approval of the budgets of the village panchayats, development of small forests, watch and ward, excise, and acting as agents of state government.

The Panchayat Samitis may use the village panchayats as their agents 'in executing any schemes of development or other activities.'¹

The functions of the Zila Parishads would be the following :—

1. To examine and approve the budgets of the panchayat samitis.
2. To distribute the funds allotted to the district as a whole between the panchayat samitis.
3. To co-ordinate and consolidate the panchayat samiti plans, annual as well as quinquennial.

¹ Report, Vol. I, p. 18.

4. To consolidate the demands for grants for special purposes by the samitis and forward them to the government.

5. To supervise the activities of the panchayat samitis.

6. To perform certain disciplinary functions in regard to specified categories of the staff of the panchayat samitis.¹

The Zila Parishad, according to the scheme of the committee, will have no executive functions, nor any staff of its own. It will be a co-ordinating body between the panchayat samitis and will replace the present district Planning Committee. It alone will deal direct with the government, or commissioner, or the Divisional officers as the case may be.²

Criticism

Since at present the Balwantray Mehta Committee recommendations appear to hold the field and rural local government throughout India is likely to be reorganized in accordance with them, it is necessary to examine the functions proposed to be allotted to the Panchayat samitis from the

¹ Report, Vol. III p. 169.

² Report, Vol. I p. 20-21.

point of view of efficiency of administration as well as promotion of self-government and democratic decentralization.

While enlargement of the scope of the functions of the local bodies is very welcome, it is doubtful whether we ought to make them co-extensive with development work or subjects of district administration generally. If we do so, the requirements of development work and of local self-government may come in conflict and one or the other or both may have to suffer. Planned development such as has been undertaken in our country requires central direction, drive and uniformity. A great deal of decentralization is possible in the implementation of the schemes, but in respect of this the position of local bodies would be more of agents than of principals and masters. In policy-making in subjects like industrial, agricultural or health development, local bodies might be consulted as to the requirements of their respective areas, but it is doubtful if their members or officials would be of a calibre to initiate policy in these respects. In finance and personnel, to a large extent they will have to depend on the grants and deputation arrangements made by higher authorities. In view of this, real autonomy and decentralization which are the essence of local self-government can be pos-

sible only to a limited extent. For this reason, it would be useful to make and maintain a distinction between the agency and the self-governing functions of the Panchayat Samitis or of any other rural local bodies which might eventually be set up. The consequence of indiscriminate lumping together of all kinds of functions with different requirements in terms of area, policy-making, administrative arrangements, etc., might result in local self-government being swallowed up by centralization and uniformity which planning entails. We have the first taste of it already. Local Government throughout India is to be of a uniform pattern, to the total disregard of the varying conditions of, and peculiar historical development in, the various parts of the country. Many countries of the world such as France, Germany and others do maintain a distinction between the self-governing and agency functions of the local bodies and the same ought to be done in India. The advantage of that would be that the local bodies will have a sphere, although small, where they would have comparatively full initiative and autonomy. In the light of the developing political maturity of the local bodies, the allocation might be re-examined from time to time and more functions might be transferred from the agency list to the self-governing list.

Secondly, there is a good deal of overlapping between the functions of the Panchayat Samitis and the Village Panchayats, as proposed by the committee. To mention only a few items, water-supply, sanitation and the welfare of women children and the backward classes figure among the functions of both. It is not made clear as to what aspect of the common functions are to be dealt with by each party.

Thirdly, the area and policy requirements of some of the functions have received scant consideration. Thus the experience was that in respect of local roads, even the district was not always an adequate area, and so also in respect of certain aspects of education. It is doubtful whether the Block and its Samiti would be adequate for these.

Finally, the Zila Parishads have been declared to be chiefly co-ordinating bodies with no executive functions and hence will have no budget or staff of their own. Whether the district ought to be abandoned as an area of local self-government, is a question which we examine later under the problem of local areas. Here it may only be mentioned, that among other things, the Zila Parishads are entrusted with the duties of consolidating panchayat samiti plans, supervising their activities, and taking

disciplinary action against specified categories of samiti staff. One wonders whether these things can be done without staff and funds and whether supervision and disciplinary action are not executive duties.

4. FUNCTIONS OF VILLAGE PANCHAYATS

The Present Position

The functions of village panchayats until recently were judicial or administrative or both. In Bombay and Madras panchayats were almost wholly administrative and for judicial work there are village munsifs or honorary magistrates sitting singly or as a bench. In the U.P., Punjab and M.P., on the other hand, judicial work used to be the most conspicuous function of the panchayats, though they had some administrative duties as well.

The judicial powers of the panchayats related to the trial of civil suits of a value up to Rs. 100 (the maximum varied in different states), and of petty criminal cases wherein they might inflict fines up to Rs. 50. Their administrative powers related to village lanes, ponds, wells, drainage, epidemic protection e. g., through vaccination, maintenance of school buildings, night watch, etc. Occasionally they might also arrange for lighting, libraries, improvement of agriculture and handicrafts, organizing festivals

and management of travellers' rest houses.¹ Where panchayats had both administrative and judicial duties, they generally concentrated on the latter to the neglect of the former.

Proposals of U.P. Local Self-Government Committee

The U.P. Local Self-Government Committee proposed a large extension of panchayats' functions more or less after the pattern of municipalities. Thus they would have the duties not only of constructing and maintaining village works, and looking after village sanitation, but also of establishing and managing primary schools, dispensaries, maternity and child welfare service, etc. Administration of justice under the Committee's scheme would be entrusted to separate Adalati panchayats functioning for groups of villages.

Proposals of the Balwantray Mehta Committee

According to the proposals of the Balwantray Mehta Committee, the Panchayats are to have the following functions :—

1. Water supply for domestic use.
2. Sanitation.

¹ Blunt, *Social Service in India*, pp. 362-63

3. Maintenance of Panchayat roads and other works.
4. Improvement of Housing.
5. Health education.
6. Land management, cattle pounds.
7. Supervision of Primary Schools.
8. Organization of welfare of women, children and backward classes.
9. Collection of statistics and maintenance of records.
10. Acting as agents of Panchayat Samitis for executing development schemes.
11. Collection of their own taxes and of other authorities entrusted to them, and such functions as may be delegated or approved by Panchayat Samiti.

Criticism

In determining the functions of village panchayats we must bear in mind two things. Firstly, the panchayats would not be the only local authorities for the villages, but there would be the district boards or other higher local bodies also exercising jurisdiction in them. It is not, therefore, necessary that all the local services for the villages should be provided by the panchayats. Secondly, the amount of political initiative and talent

available in the villages is bound to be small, and their financial resources too cannot be very large. In view of these considerations, it does not seem feasible to entrust the panchayats with the maintenance of costly institutions like schools and dispensaries, whose clientele also would extend to an area wider than the village. These had better be under the district boards. Administration of justice by village panchayats is open to the same objections as have been urged against the tahsil, district and municipal benches, namely, lack of legal knowledge, impartiality, and independence. The traditional method of panchayat's settlement of disputes was radically different from that of today. Apart from caste panchayats, the jurisdiction of others was optional, and their method was conciliation and arbitration rather than formal adjudication.

Conclusion

Functions of village panchayats should be of three kinds. Their own independent functions should be only a few relating to construction and upkeep of village works, cleaning, lighting, provision of village libraries, reading rooms, gymnasium, etc. In the second place, they should have entrusted to them by the district board, a large number of agency functions in connection with the

repairs of the board's buildings situated in the village, distribution of seeds and manure, starting of cottage industries, encouragement of co-operation and consolidation of holdings, and other similar matters. Finally they should have the right of making representation and complaints to the government and district boards regarding the inadequacy or mismanagement of any of the services, which it is the duty of those higher authorities to provide for the villages. This would include also the right of making complaints against particular officials, as suggested by the U.P. Local Self-Government Committee.

Judicial Duties of Village Panchayats

Creation of separate Adalati panchayats functioning for groups of villages would largely defeat the purpose of entrusting judicial duties to such bodies. This purpose was to eliminate perjury in which village witnesses rather freely indulge before courts. It was hoped that it would not be easy to lie before one's neighbours sitting on the panchayats. The Adalati panchayat outside one's village would offer the same temptation. Then there are the objections stated in the previous page against entrusting duties of former adjudication to the panchayats.

It is, therefore, suggested that the proper judicial duty of the panchayats should be conciliation and arbitration rather than adjudication. Conciliation has been defined as the 'process whereby a third party seeks to secure an agreement between the two parties to a controversy with respect to its settlement.'¹ Conciliation is resorted to by disputants for settlement of disputes informally, even in the absence of legal provision, but if the law recognises it as a regular part of judicial administration, its utility and effectiveness will be greatly increased. To this end, the law should provide that civil suits (with certain exceptions) shall not be filed in a court, until the plaintiff has tried conciliation with the help of the panchayat of appropriate jurisdiction. A certificate of failure of conciliation from the panchayat should be necessary to enable the plaintiff to go to a court. When a dispute comes before the panchayat for conciliation, it should summon the parties before it, hear their statements, note the points of disagreement, and try to effect a reasonable compromise by arousing their friendly feelings and pointing out the trouble, delay and cost of litigation. No lawyers should

¹ Willoughby, *Principles of Judicial Administration*.

be allowed to appear, and nothing said before the panchayat should be admissible as evidence before the courts, should the case ultimately go there. If an agreement between the parties is reached, it should be formally recorded and signed and should have the same validity as a formal judgment of a court of law. In cases arising out of contracts, by the previous or subsequent agreement of parties, the panchayats may also act as arbitrators. The law can help by providing that debt and other contracts up to a certain value shall compulsorily contain an arbitration clause binding the parties to the acceptance of the panchayat's award, should a dispute concerning it arise.

Conciliation and arbitration have been the traditional role of the panchayats. If properly organized, they can dispose of a very large percentage of cases out of courts. It is said that in Denmark and Norway 75 to 90 per cent of suits are settled in this way. The panchayats should, however, have no jurisdiction in criminal cases.

Method of Grant of Powers

Before leaving the subject of local functions and powers, it is desirable to say a few words about

the method by which they are determined. Local functions must be determined by the process of trial and error, for it is impossible to make *a priori* list of them which would be universally applicable. The method of granting local powers should, therefore, be such as to admit of convenient experimentation.

It has already been stated that our local bodies receive their powers by the English method of specific grant. The difference between our country and England in this matter, however, is that in England functions are granted to the local bodies by general as well as special statutes. The latter, known commonly as 'private acts', serve as a device to meet the special needs of particular local bodies for powers not belonging to all local bodies generally. The initiative in the matter comes from the local body concerned, which petitions to Parliament for a private act in its favour. Parliament considers the claim, takes evidence for and against it in a judicial manner, and finally gives its decision. In recent years several alternative procedures to meet the same end have been developed, and are called by various names like provisional orders, special orders, etc. In these, the enquiring authority is not a parliamentary committee,

but the appropriate administrative department. The effect of private act or provisional order method of granting powers is to provide specially for the needs of progressive authorities to enable them to go beyond the lowest common measure of general local functions, and to encourage them to make new experiments, which if successful in a good many places, may ultimately be included in the list of general functions for all the local bodies. Local bodies under such conditions have themselves some measure of initiative in the determination of their powers.

In India local powers have hitherto been regulated by laws of general application only (except in case of presidency corporations which are *sui generis*). The result has been that all the local bodies of the same class, large or small, backward or progressive, have been driven with the same stick and there prevails a dead uniformity and almost complete absence of experimentation along new lines. It is true that some scope for variation is provided by the 'optional functions' mentioned by the general local statutes, and by the power given to state governments to authorize 'the doing of anything' by declaring expenditure on it to be

'an appropriate charge' on local funds,¹ but the latitude thus available is very limited. The state governments construe their power of authorization within the four corners of the existing Acts, and use it more for determining the legality or otherwise of doubtful items of expenditure under existing functions, than for permitting new functions. The optional lists restrict the assumption of functions to those stated explicitly in them. In either case, no initiative is allowed to particular local bodies.

It is, therefore, suggested that in India also some procedure like that of private bills and provisional orders, whereby progressive local bodies can apply for and obtain special powers, should be developed. The legislature should enable the state governments, within certain limits and subject to a prescribed procedure, to grant to particular local bodies new powers, when they apply for them and prove their case.

¹ See e. g. *The U. P. Municipal Act of 1916, Section 8 (1).*

5. LOCAL AREAS AND AUTHORITIES

The Existing Local Areas and Authorities

Under the present arrangements, each urban centre of sufficient size (usually of 10,000 or more population) is a municipality and smaller towns are notified or town areas. The governing authority of municipalities is called the municipal board, or committee, and of the notified or town areas, the notified or town area committee. The municipalities have the full range of local powers, and are largely elected bodies; notified areas exercise only selected functions of municipalities and in their constitution, the nominated element is much stronger and the town areas are usually only sanitary and cleansing authorities depending for other local services on the district boards. The local areas and authorities for the rural parts are the district boards, the village panchayats, and in some states also the tahsil, taluka or local boards occupying an intermediate position between the first two.

No difference of Opinion about Municipalities

It is agreed on all hands that every city or town of adequate size should remain an indepen-

dent municipal area with full powers. Hitherto generally the state government has been the judge of the adequacy of population and resources entitling a place to obtain municipal status.¹ There is no need to alter the existing arrangement, because the discretion allowed to the state governments in the matter makes for flexibility. A hard and fast population or other test should not be prescribed for municipal status, since such tests create a hardship in marginal cases.

Notified Areas Should be Abolished

For local self-government of smaller towns the present two separate grades of areas and authorities are quite necessary. They should all be town areas with sanitary duties only, obtaining the other local services from district boards. The effect of vesting these towns with full range powers will be to impose too heavy a burden on them, and reduce the resources of district boards by excluding from their taxation these rural centres of wealth and trade. All the towns, therefore, which are not municipalities should be town areas only. Notified areas should be absorbed by these

¹ See e.g. *The U. P. Municipalities Act 1916*, Section 3 and 4.

two classes: municipalities and town areas. They should disappear as an independent category.

The Areas of Rural Local Government

Until recently there used to be a general agreement that the district and the district board should be the principal area and authority of rural local government, and actually it is so at the moment of writing (1959) in all the states except certain parts of Madhya Pradesh where since 1948 the tahsil with its Janapada Sabha has taken the place of the district and its council. Below the district boards, village panchayats had existed in all the states, though in point of development and organization, they differed considerably from state to state. To begin with, many of the states (formerly provinces) had also intermediate areas and authorities between the District Boards and Panchayats. These were variously called local, tahsil or taluka boards, but in course of time, they tended to disappear. Tahsil boards were abolished in U.P. in 1906, and in Madras in 1934, and Bombay had an enabling provision for abolishing them. Thus a two-tyred system of local government was tending to emerge, though there was some difference of opinion as to how many and what areas and authorities there should be under the district boards.

Local Areas and Authorities Below the District Boards

Broadly speaking there were three sets of opinion on the subject. Firstly, there were those who wanted to see two areas below the district boards —tahsil or taluka or some smaller sub-division of it like the paragana, and the village. Secondly, there were those who believed that there should be only one area below the district board and that should be the village. Thirdly and finally, there were those who, though they wanted only one area below the district board, thought that it should be larger than the village, embracing a group of them. It might be co-terminous with the taluka or tahsil or even smaller, as might be convenient.

The Scheme of Three Sets of Rural Areas

The scheme of three sets of rural areas with village panchayats at the bottom, tahsil or taluka boards in the middle, and the district boards at the top was first enunciated by the Royal Commission on Decentralization. Lord Ripon's scheme had left the villages out of account, and contemplated the establishment of two sets of local areas only, the district board, and local boards for tahsils or some smaller sub-divisions of them. The Commission, however, thought the creation of village pan-

chayats of vital importance for the success of local self-government. Their view of the matter has now become classical. "The foundation of any stable edifice which shall associate the people with administration," they wrote, "must be the village, as being an area of much greater antiquity than administrative creations such as tahsils, and one in which the people are known to one another, and have interests which converge on definite and well-recognized objects like water-supply and drainage. It is probable, indeed, that the scant success of efforts hitherto made to introduce a system of rural self-government is largely due to the fact that we have not built up from the bottom."¹

They also insisted that the tahsil or taluka boards should exist to fill up the gap between the village panchayats and the district boards.

The U.P. Local Self-Government Committee also recommended the creation of paragana committees, between the district board and the village panchayats, thus contemplating three sets of rural authorities.² These committees, however, would have neither an independent membership nor any

¹ *Decentralization Commission Report*, para 699

² *Report of the U. P. Local Self-Government Committee*, Vol. 2, pp. 48-49, paras 165-166.

financial resources other than contributions from panchayats and district boards.

Intermediate Authorities Have not Worked Well

The actual working of local authorities occupying a middle position between the highest and the lowest, has not generally proved to be satisfactory either in India or elsewhere. The tahsil and taluka boards have disappeared from one state after another. The U.P. abolished them as early as 1906, Madras in 1934 and Bombay has an enabling provision for their abolition. In practice it has been found very difficult to distribute functions and financial resources between them and the district boards, because the two kinds of bodies have been so similar as hardly to admit of any valid differentiation. Management of services by taluka boards has been less economical than in the case of district boards. To revive these bodies again where they have been abolished would be to fly in the face of past experience. Even in England the intermediate authorities between the county and the parish, *i.e.* the districts are tending to disappear. Under the Local Government Act 1929, the counties were given the power to make re-adjustment of smaller areas within them, and the result has been a large reduction in the number

of the districts. In France the *arrondissement* and the *canton* have never succeeded in developing any local self-government powers. The truth of the matter seems to be that in rural areas there is no room for more than two sets of authorities, one small and co-terminous with natural units of population, and the other large enough to organize satisfactorily the costlier services.

Experience seems, therefore, to suggest that there should be only two areas of rural local government—the district and the village (or alternatively a group of villages).

Reaction against the District as an area of Rural Local Government

The last five or six years have witnessed a reaction against the district as the principal area of rural self-government. The reaction was heralded by the Janapada Scheme adopted in Madhya Pradesh under the C.P. and Berar Local Government Act 1948, which adopted the tahsil in place of the district as the principal rural local area. An experiment in the same direction was proposed in Orissa under the Anchal Sasan Bill of 1953. It contemplated the division of the state into 118 Anchals each of which would

comprise of the areas of 10 contiguous village panchayats and would coincide with a National Extension Block. The Anchal like the Janapada would be a mixed area urban and rural, and would have a plenitude of functions and the necessary finance and personnel by devolution or transfer from the state government. In Bihar, many of the important functions of the district boards, such as primary education, hospitals and more important roads were provincialized and in that state as well as in Bengal a move was afoot either to abolish the district boards or to reduce their powers considerably and make them indirectly elected by the members of the village Panchayats. In all the three states — U.P., Bihar and Bengal, elections to the district boards have not been held for the last 10 or 12 years.

The Balwantray Mehta Committee Report, as we have seen, has recommended the replacement of the district boards by Panchayat Samitis consisting of Panchayat Presidents and certain others, at the Block level. It is true that there is to be a Zila Parishad at the district level under this scheme too, but it is merely a ghost of the district boards. It is an ex-officio and official in composition, and co-ordinative and supervisory in function,

and has no budget or staff of its own. This scheme is supposed to provide a model on which rural local government all over the country is to be reorganized in a uniform way. The U.P. has already abolished the district boards and replaced them by interim Zila Parishads. A bill to the same effect is before the legislature in the Andhra and Punjab and other states are likely to fall in line before long. Rajasthan has already introduced the new scheme which began to function in September 1959.

What is this reaction against the district boards due to? There appears to be two reasons for it. First the retention of district boards as directly elected local bodies on the basis of adult franchise, means virtually the repetition of the national general elections. The trouble, effort, and cost is tremendous. The state governments, therefore, appear to shrink from it. More than that, there is the problem of electoral funds for the candidates and political parties. It is difficult to raise these funds without compromising the requirements of 'purity'. Small areas and indirect elections reduce the size of the electorate and hence of the funds and effort needed. The name and authority of Mahatma Gandhi can also be invoked

for indirect elections because in his day, he favoured them. The second reason appears to be a desire for uniformity and identity between the administrative areas for developmental and local government purposes. The 'Block' and the 'Panchayat' have come to be adopted as the developmental areas. To adopt them as local government areas also is, therefore, attractive and tempting from the point of view of symmetry and simplicity.

These are not, however, the arguments which are publicly urged for the abolition of the district board or in favour of substitution of lesser areas and authorities for them. What is said is that the district board area is 'too large and unwieldy', that district boards have failed to give a good account of themselves and show efficiency, that they have lost and are losing functions to the state government, and that the district is an artificial area created for the exigencies of the administration in British days and represents no community of sentiment or interest to entitle it to be a local area.

The Case for and Against the Village as a Local Area

The case against the village as a local area was classically put by Mill. "A mere village", he said, "has no claim to municipal representation..... such small places have rarely a sufficient public

to furnish a tolerable municipal council: if they contain any talent or knowledge applicable to public business, it is apt to be all concentrated in some one man who thereby becomes the dominator of the place. It is better that such places should be merged in a larger circumscription."¹

It may be pointed out that these drawbacks of the village as a local area are specially prominent in India. Many of our villages are just tiny hamlets without a single literate person in them. Many again are dominated by a resident landlord, or torn by factional rivalries of various kinds. Very few of them can be said to possess the material to work for any scheme of self-government. Village self-government is, therefore, likely to remain at a standstill on account of the lack of motive power. It is, however, otherwise, if we take a larger unit comprising, let us say, 40 to 50 villages. These constitute a neighbourhood in the sense that there is constant intercourse among their inhabitants, so that at least the more important people are known to one another. Within such an area a few men of light and learning can always be found to run the local self-govern-

¹ Mill, *Representative Government* (World's Classics Edition), p. 371.

ment machinery. An agglomeration of several neighbouring villages, and not the single village, should, therefore, be the basic unit of rural self-government. Some such consideration seems to have prompted the U.P. Local Self-Government Committee to superimpose 'paragana committees' on the village panchayats, to galvanize the latter into activity and to watch their working. The district boards were probably felt to be too distant for the purpose. In Bengal the union which is an area of 10 to 15 square miles with a large village or small town at its centre was the basic local area and it was said to work better than panchayats for single villages¹.

The shortcomings of the village noted above are undeniable, but there are two considerations which, nevertheless, make it essential to constitute it the basic local area. In the first place, there are certain elementary but vital services like cleansing, maintenance of village pathways, repair and cleansing of village wells, lighting and fire protection, which can be satisfactorily provided for each village by itself alone. No outsiders can be

¹ Blunt, *Social Service in India*, pp. 362-3.

interested in the provision of these services for a village, to the same extent as its own inhabitants. In the second place, for fostering habits of co-operation in the management of common concerns, and imparting some training in self-government, the institutional machinery required must be available in each village, irrespective of its size. The natural inertia and self-centred habits of our rural people will prevent them from effective participation in any scheme of self-government which is not located next door. The problem is not to take our village people to self-government institutions existing elsewhere, but to bring the latter to the people themselves. They must be so interwined with their everyday life, and must be so close to them, that to keep aloof from them will be all but impossible. If political education be one of the objects of local self-government, as it undoubtedly is, the case for a panchayat in every village is unanswerable.

For encouraging such panchayats to work properly, outside stimulus and pressure may be necessary ; and it will be the business of higher local bodies to provide for them. Whether they will do that through the agency of perma-

nent officials or paragana committees made up of their members for that area, is a question which we shall consider elsewhere, but it is clear that such committees, if employed, should not take the form of intermediate authorities between the panchayats and higher local bodies, or detract from the basic character of the panchayats themselves.

The Local Authority above the Village Panchayats

If the village were rich in human and financial resources like the towns and cities, each of them could have been an independent local area with full-range powers like the municipalities, and a second set of authorities above them would not have been necessary. But since this is not the case, we have to superimpose on them some higher authorities with much larger areas, to pool together the resources of such areas, for providing the costlier services like schools, dispensaries, roads, bridges and the like. A school or dispensary in every village is neither financially and administratively practicable, nor economical, when one such institution can quite conveniently meet the needs of several villages. If

we closely enquired into the requirements of each service, it would be found to need a separate and distinct area for itself, but if every service had a separate area and authority to administer it, the result would be undesirable overlapping, confusion and lack of co-ordination. The solution of the problem then is to adopt an area, which will be as large as the largest required by any service. Since the larger area includes the smaller, the former would meet the needs of all services.

Now the question is, what large area above the primary unit of village panchayat would be sufficient for purposes of all the local services in the rural parts. On purely theoretical grounds it is impossible to answer this question definitely. "The fact is," says Dr. Finer on the subject, "that only in two or three cases, if even there, is it possible to measure exactly which area will give the greatest technical advantage. We refer to cases of drainage, water supply, and electricity supply. Outside these, the area of greatest technical advantage is exceedingly difficult to demarcate. We do not know in actual fact, whether an area containing one million or one and a half-million, or only half a million, or even one hundred

thousand will give exactly the best results say, for education. For, at this point, we are dependent on the varying qualities of administrative genius and interest in public affairs of different people, rather than upon a mere consideration of such given entities as the catchment areas, and the generating power of most up-to-date dynamos coupled with the carrying power of most recently invented electric cables."¹

This being so, all that we can say is that the area above the primary local units should be large, rather than small. Requirements of popular interest, and participation in local self-government, on the other hand, point to the need of making the area as small as possible. We have, therefore, to make a compromise between needs of efficiency and of self-government. If we disregarded the former, we would say that the village should be the only local area for all purposes, and if we ignored the latter, we might say that all the local services should be organized on the state basis. But since neither of these two courses would be desirable, we have to search for a suitable area from both points of view.

¹ Finer, *English Local Government*, pp. 163-64

Balwantray Mehta Committee's Scheme of Rural Local Areas

The Balwantray Mehta Committee Scheme proposes a three-tyred structure for rural local government, *viz.* the village panchayats at the base, Panchayat Samitis covering the developmental Block in the middle, and Zila Parishads at the top. In effect, however, the scheme is only two-tyred because the Zila Parishads are envisaged chiefly as co-ordinating bodies with no original local government functions of their own. The net result of the scheme would, therefore, be to replace the district by the Block as the principal area of rural local government. Now, what are the grounds of preference for the Block as against the District? - The only one which is mentioned by the committee is that "the jurisdiction of the proposed local body should be neither so large as to defeat the very purpose for which it is created nor so small as to militate against efficiency and economy..... Obviously, the village panchayat is too small in area, population, and financial resources to carry out all these (the development) functions."¹ The district, tahsil, talukas and subdivisions are perhaps too large. The development

block, however, "offers an area large enough for functions which the village panchayat cannot perform, and yet small enough to attract the interest and service of residents."¹

The validity of this conclusion is open to doubt. That the village is too small is obvious and admitted, but it is by no means obvious that the district or tahsil everywhere are too large. In some states tahsils or talukas actually correspond to the development block in area, population and resources. As a matter of fact the committee have not tested the suitability of the block in terms of functions at all. While there is no hard and fast yardstick to measure the area requirement of the various functions, experience suggests that the block would be inadequate for the administration of local roads, or education. One of the dominant tendencies of local government all over the world today is the widening of areas of rural local government and transfer of functions from the smaller to the larger areas. There appears to be no valid reason to reverse the hands of the clock in this country and substitute a smaller area like the block for the district which has behind it a local government tradition and organization of nearly a century.

¹ *Ibid.*, p. 9.

There may be some districts which are too large. They can be sub-divided into two. The average area of the district in India is about 2000 sq. miles, which would appear to be large enough for most functions, developmental or local government. The district will be retained as the area of general administration. It will also remain the area of co-ordination for local functions. Thus, there is really no overall economy or simplification in the number or variety of areas, in abandoning the district for purposes of local government. In the course of centuries of its past history, the district has also developed about it a community sentiment which is evidenced whenever there is a proposal to break up or abolish a district. The district head-quarter attracts people from all over the district for business, commerce, litigation and other purposes. Light and leadership is usually concentrated at the district headquarters and emanates from there for the whole district. These advantages of the district should not be thrown away lightly under bondage of mere slogans.

To condemn and abandon the district boards for their unsatisfactory record of work is like 'giving a dog a bad name and hanging it.' The alleged failure of the district boards has largely to be laid at the door of insufficient organization, personnel,

and finance. Under similar conditions, blocks would have done worse.

Election for district boards on adult franchise would undoubtedly be a big and costly affair, but having adopted democracy, we are hardly justified in shrinking from that. The composition of local bodies on the basis of indirect election and ex-officio appointments as contemplated under the Balwantry Mehta Scheme would strangle democracy at the base. It is a mockery to call it 'democratic decentralization.'

In fact, the Balwantry Mehta Committee scheme has indulged in wholesale begging of the question. Having identified local government with development, it proceeds to argue that since the block is the existing development area, it is also the most suitable area for local government.

The Case for the District Board

The district should, therefore, be retained as the principal area of rural local government above the village panchayats. It is sufficiently large in area and population to meet the needs of most local services. This has now been tested by the experience of over half a century. It is at the same time not too large to afford the possibility of local knowledge or sentiment.

This is of course not saying that the district is the ideal area for all local services that now exist or may come to exist in future. It has already been found too small, for instance, for purposes of road administration. In these days of through motor traffic, nothing short of provincial, or even national road planning can suffice. Financially many of the district boards are unable to maintain a competent engineering staff. In the U. P., some time ago, out of 48 boards only 15 employed qualified engineers.¹ Even when such staff can be maintained, the boards' own work is not sufficient to give it full-time employment. The Public Works Reorganization Committee (1917) sought to overcome this difficulty by suggesting that the government should transfer to the boards the construction and upkeep of their own works, subject to the payment of proportional costs, thus providing for the boards enough work as well as funds, to maintain a duly qualified public works staff.² In some states like Bihar, this had been done, but in others like the U.P., the recommendation was not acted upon, and an alternative solution was sought in the creation of divisional Councils, which would pool together

¹ Report of the U. P. Unemployment Committee, 1935, p. 35.

² Public Works Department Reorganization Committee Report, 1917, p. 13.

the resources of a number of constituent boards, and maintain thereby a common higher technical staff—educational, engineering, public health and medical, for all of them. The proposal was vetoed by the legislature and the difficulty remains unsolved to this day.

Adjustments Within and Beyond the District

This would seem to point to the need of a larger area than the district, for purposes of administration of the roads at least. If the electrification of rural areas for power purposes is seriously undertaken, it may well be that even for this the district may prove to be an unsuitable unit and it may be the same with water supply and drainage. This brings us back to the position that it is extremely difficult to determine a local area, which would be best suited for the needs of all the local services. We have, however, to be satisfied with what is the next best. Since the district has been found suitable for most of the local services, it may continue to be the higher unit in the structure of rural self-government. Special requirements of particular services for which the district proves too small, may be met by the creation of joint committees for two or more neighbouring boards. Within the district itself, the gap between the district board and panchayats may be filled up where necessary,

by the creation at the block level of local committees of chosen members of the boards, panchayat presidents, and co-opted outsiders, and by delegating appropriate powers to them.

The Conclusion

The conclusion, therefore, is that there should be four types of local authorities in all. For the larger towns there should be municipalities with full-range powers. For the smaller towns there should be town area committees, charged with only sanitary duties and depending on the district board for other services. For the rural areas, there should be only two sets of authorities , the village panchayats at the bottom, and the district boards at the top, and necessary adjustments for the needs of various services and activities should be made by joint action or delegation of powers, as the case may be.

6. CONSTITUTIONAL STRUCTURE OF LOCAL BODIES

Present Constitution of Local Bodies

The Constitutions of municipal and district boards in all the states present a common pattern. They consist of varying number of members, usually not fewer than 5 nor more than 50 (except in U.P. where the upper limit for the municipal membership is 80) elected on the basis of adult suffrage. As a result of reforms made before and after independence, nominations and separate electorates have disappeared except as a device in some states like Bombay to fill up vacancies left unfilled due to failure of election. In some states, co-option of a specified number of members by the elected members has been provided for. Minority representation has been abolished except for the scheduled castes for whom reservation of seats on a population basis has been made for 10 years following the commencement of the constitution. In some states like Madras and Bihar, this minority can contest unreserved seats too.

Constitution of village panchayats, however, varies very widely from state to state. Before the reform legislation of the years 1946-49, the pan-

chayats usually consisted of 5 to 11 members nominated or elected on a restricted franchise, and they were confined to only a few of the larger villages. Under the U.P. Panchayat Raj Act 1947, however, about 35,000 panchayats have been established so as to cover all the villages. They consist of three bodies, a gaon sabha which includes all the adult residents of the panchayat circle, a panchayat which has 30 to 51 members elected for 3 years by the gaon sabha by adult suffrage, and an adalati (judicial) panchayat for each group of 3 to 5 gaon sabha circles, each constituent sabha electing for it a panel of 5 qualified persons out of its own membership. In Madhya Pradesh also panchayats have been constituted on the basis of adult suffrage, and separate bodies have been created for the administrative and judicial work. In Madhya Pradesh, however, no primary assembly like the gaon sabha exists, the membership of village panchayats is smaller, and the members of the Nyaya (judicial) panchayats are nominated by the Government from among the members of the constituent village panchayats.

The town area committees too are constituted more or less like panchayats. In the U.P., the Congress ministry introduced adult suffrage for the election of their members, but elsewhere

property and other qualifications prevail. The number of member is generally the same as in panchayats and their term is usually three years.

The head of the local executive is called the president or the chairman, and is elected in U.P. and Madhya Pradesh by the voters directly and elsewhere by the council or board. He can usually be removed by a vote of no-confidence passed by varying majorities of members.

Constituencies and Method of Election

The method of election used in local bodies is generally the ordinary majority vote system, *i.e.* of the several candidates standing, he who gets the largest number of valid votes cast is declared elected. The constituencies used are either single-membered as in Madhya Pradesh or multi-membered as in U.P. On the whole the single-membered constituency is preferable to the plural-membered because it secures a better representation of minority opinion, but the plural-member constituency may be a necessity where reservation of seats for minorities has to be made.

Theoretically the method of ordinary majority vote is subject to a number of criticisms and various substitutes for it such as the cumulative vote, the single transferable vote, or some other variety of

minority or proportional representation are advocated. They, however, suffer from the defects of complexity, and of creating too many petty groups in the council. For this reason the general practice all over the world is to favour the ordinary majority vote system and the same should continue to be used in our country.

Minority Representation

In the pre-independence days, representation to the minorities was given by reservation of seats, weightage, and in some states like U.P. and Bombay by separate communal electorates. Weightage and separate electorates used to be condemned by nationalist opinion and, after the division of the country, no justification for them was left. Accordingly they have disappeared from all the states. Now only the scheduled castes are given representation in one of the three ways. Firstly in some of the states like Bombay, Madras and Bihar there is reservation of seats for them, and they have also the right to contest the general seats. Secondly in states like U.P. there is reservation of seats on the population basis, seats being reserved for them in an appropriate number of plural member constituencies, but without the right to contest the unreserved seats. Thirdly and lastly, in states like

Madhya Pradesh minority representation has been provided for by co-option if election fails to secure it.

Secret Voting by Coloured Ballot Boxes

To ensure secrecy of the ballot for the literate and the illiterate voters alike, the colour or symbol ballot boxes are in use, a distinctive colour or symbol being allotted to each candidate.

The Size of the Boards

The existing size of the boards is well under ninety members, though occasionally it may be as small as five according to the population of the area. The U.P. Local Self-Government Committee recommended that municipal boards should have twenty to one hundred and twenty-five, and district boards forty to one hundred members. A small council is an advantage from the point of view of transaction of business, while a large one is more widely representative. The favourite size of councils in the U.S.A. is about twenty, in England thirty to forty, and in continental countries like Germany up to one hundred or more. The point is not one of vital importance, and the existing size or the one adopted in the U.P., might be retained.

The panchayats and town area committees should have from five to twenty-five members.

Term

The term of our local boards varies from three to five years. The U.P. Committee recommended that it should be five years. A long term tends to weaken the popular control of local bodies and a three-to-four-year term is the general practice in other countries of the world too. On the whole a three-year term seems to be the best, and it must not be more than this if local bodies are given a directly elected chairman independent of the board's control. Partial renewal of local bodies in India has not worked well and has been discarded almost everywhere. There is no need to revive it.

The Constitution of Rural Local Bodies as proposed by the Balwantray Mehta Committee

As stated before, under the recommendations of the Balwantray Mehta Committee, the structure of rural local government would be three-tiered, with the village panchayats at the base, the panchayat samitis in the middle, and the Zila Parishad at the top. How would these bodies be constituted?

Of these, only village panchayats would be directly elected. A small number of panchas would be directly elected to it by adult suffrage. Besides the elected members two women members

and one member each from the scheduled castes and scheduled tribes would be co-opted. The panchayat would have a president or chairman also. Besides the village panchayat with administrative functions, there would also be judicial panchayats functioning over the areas of a group of village panchayats. The judicial panchayats would consist of persons selected by the sub-divisional or district magistrates out of the panels of names suggested by the village panchayats comprised within their circ'e.

The panchayat samitis would be constituted by indirect election from the village panchayats comprised within the block. Each of the municipalities situated within the block wou'd also elect one of its members as its representative on the panchayat samiti. Further, up to 10 per cent of the elective seats might be filled up by representatives of the co-operatives functioning within the block, either by election or by co-option. The number of elective members from panchayats would be about 20. With the representatives of municipalities and co-operatives it would be somewhat more but well under 25. The sub-divisional or revenue divisional officer would be the chairman of the samiti during the first two years of its life. The term of the panchayat samiti would be 5 years.

Finally, as regards the Zila Parishad, its membership would consist of all the presidents of the panchayat samitis comprised within the district, all members of state legislature and of Parliament representing a part or whole of the district whose constituencies lie within the district, and the district level officers of the medical, public health, engineering, education, backward classes welfare, public works and other development departments. The collector will be the chairman of the parishad and one of his officers will be the secretary.¹

Criticism of Mehta Committee Proposals regarding the Constitution of Local Bodies

Since the central purpose of the Mehta Committee's endeavour was 'Democratic Decentralization', one should have thought that the constitution of the local bodies at the various levels as proposed would be democratic. It is, however, otherwise. There is direct election by universal suffrage only for the village panchayats. The panchayat samitis are indirectly elected by the village panchayats while the membership of Zila Parishads is entirely ex-officio. It is a strange kind of democracy that fights shy of democratic election. The argument for giving up elections is twofold. They

¹ Report, Vol. I, p. 19.

are expensive and they create factions. The arguments are, however, far from convincing. The expense of elections is worthwhile inasmuch as elections are invaluable for the political education of the people. Without them, it is difficult to see how an awareness of the problems and policies of the local bodies can be created among them. Parties and factions too are not only unavoidable in democracy, but are also *sine qua non* of its proper functioning. We cannot eat the cake and have it too. If we are going in for democracy, we must be prepared to pay the price for it.

Moreover, indirect elections offer more room for electoral bribery and corruption than direct, because of the comparatively small number of voters concerned. Factionalism, in a small electorate is more intense and bitter than in a large body of voters under universal suffrage.

Again, it is difficult to understand why the chairman of the panchayat samitis during the two initial years of their life should be the sub-divisional or divisional revenue officer. The Mehta Committee justify this arrangement "to ensure that the administrative machinery of the block is assembled and set in motion by a person with administrative experience." The samiti is, however,

according to the committee's scheme, merely a deliberative body and there is to be a chief executive officer in charge of administrative functions. This being so, there appears to be no need for the chairman of the samiti to assemble the machinery of the block and set it in motion. The chief executive officer should do it. This is one of the many examples of loose thinking on the part of the committee.

The Zila Parishad is an ex-officio body, out and out. A substantial portion of its membership will consist of district level officials from the various development departments. The collector will be its chairman. This takes us back to pre-Montague-Chelmsford reform constitutional set-up of the local bodies. The officials are not only members of the Zila Parishad. They will also have the right to vote. This has been recommended to ensure that the officials do not develop an attitude of indifference.¹ Under these conditions, the Zila Parishads are likely to be dominated by the official element as the municipalities and district boards before 1919 were. It is small comfort to know that the Zila Parishad will be only co-ordinating bodies. As we have shown while discussing their

¹ Report Vol. I. p. 20.

functions, many of the duties contemplated by the committee for the Zila Parishad are of an executive and supervisory nature. Apart from this, the Zila Parishads will supervise, control, direct and approve or disapprove many of the acts of panchayat samitis which in their turn will do the same in relation to the village panchayats. Official predominance and domination will, therefore, filter down, step by step, from Zila parishads to Block Samitis and from them to the village panchayats. This is the very opposite of 'Democratic Decentralization'. There is neither 'democracy' nor 'decentralization' in it. "Such an arrangement" says one of the critics, "is inherently an abnegation of universal adult suffrage and it has no place at the base of India's democracy."¹

¹ Archotson, *Democratic Decentralization in Local Govt.* in *The Indian Journal of Public Administration*, Vol. IV, No. I. p. 45.

7. THE LOCAL EXECUTIVE

The Nature of Local Executive in India at Present

Though in common parlance the chairman or president is called the local executive head, in reality the highest executive power is not concentrated in his hands. In fact our local bodies at present do not really have an integrated executive at all. There is on the contrary a division and dispersal of executive authority between the council or the board itself, the chairman, the various committees, and the executive officer or secretary. This is illustrated by the power to make appointments, or sanction contracts. The appointment of some of the highest officials is vested in the council itself (*e.g.* the executive officer, secretary, engineer, etc.), of the middle ones in the chairman, and of the lowest in the executive officer, secretary or departmental heads. Contracts above a certain sum require the sanction of the council, and below that they require the sanction of one of the committees which are more or less autonomous in their own sphere.

In one sense, however, the chairman is the nearest approach to the local head executive. He is charged with the duty of general supervision over

the local administration, and every item of executive power, which is not vested in any other authority, belongs to him. In some states he also presides at the board's meetings, while in others as in Bihar this duty belongs to a separate president.

Instability of the President's Office

Apart from the disintegration of executive power among a number of separate agencies, the principal defect of the local executive is the instability of the president's office. The president is removable by a vote of no-confidence passed usually by a majority of the members of the board and the frequent and often irresponsible use of this power by the members has rendered his position very unstable. Since there is no effective party organization within the local bodies to provide for the president a consistent majority support, and since the president cannot retaliate upon the members by dissolving the board, he often falls a prey to the wanton attacks of the various groups against him. Possessed as he is of a fairly large power of patronage, he has many occasions of creating enemies. His situation, in short, bears a close resemblance to that of the French ministry under the Third Republic.

The president under the existing system is a layman rather than an expert in administration.

When a well-educated and capable man is elected to the office, he may run the administration satisfactorily, but sometimes an incompetent person without much education, who does not understand the duties and responsibilities of his position, or the laws and rules under which his board has to work, finds himself elected the president. Such a person sometimes allows himself to be run by his secretary, executive officer or personal assistant. In such a case, if not much good is done to the board's administration there is no great harm done either. The situation, however, becomes hopeless where the president is both ignorant as well as strong-willed, and is therefore unwilling to be guided by any but his personal favourites among the rank and file of the board's employees. He undermines the authority of the executive officer, the secretary, and the departmental heads, by systematically overruling them and making decisions over their heads. Under such conditions the board's administration cannot be run effectively and on systematic lines and consequently, jobbery, corruption, and chaos set in.

The dualism created by autonomous committees or similar other bodies within the administrative framework of the boards also produces friction, lack of co-ordination, and absence of in-

terest on the part of the parent body in the service thus removed from its control.

Issues Involved in the Reform of the Local Executive

There are three principal issues involved in the problem of the reform of the local executive. In the first place, it has to be decided whether the existing division and dispersion of executive power between the board, the chairman, and permanent officials is to be retained, or the whole of it is to be concentrated in the hands of a chief executive. If the latter alternative is adopted, the board will have to confine itself to policy-making by passing regulations, bye-laws and the budget, and the exercise of general supervision over the execution of its policy through periodical reviews, criticisms, investigations, etc. In the second place, we have to decide whether the chief executive will be responsible to the board, or independent of it within the executive sphere. The former alternative involves the right of the board to remove the chief executive, with or without certain safeguards in the interests of stability. The latter course gives a fixed tenure to the chief executive and makes him irremovable by the board, but it involves the possibility of friction and deadlock between the two autho-

rities, for which some solution must be provided. Lastly, it has to be decided whether the chief executive shall be political and non-professional as at present or non-political, and professional. The latter alternatives mean vesting the executive power in an official like the Commissioner of the Bombay Corporation, or the City-Manager of an American municipality, or the burgomaster of a German city. Such an arrangement makes for administrative economy and efficiency but under it that spectacular and popular leadership, which can initiate daring programmes of expansion and undertake new services, is very often lacking.

No Ideal Solution

Before we proceed to discuss the selection of alternatives indicated above, it may be well to remark that there is no ideal solution of the problem of the local executive which will yield the best results under all conditions. Every type of local executive has its advantages as well as drawbacks, and in actual practice, one or the other of these will assume prominence according to the character, ethical standards, and political education and experience of the people who work it. This is but a platitude of political science; nevertheless it needs emphasis.

Proposals of the U.P. Local Self-Government Committee

The U.P. Local Self-Government Committee favoured the continuance of the division of local executive power as at present, or rather sought to carry it still further by adding an executive committee to the list of existing participants. This Committee was to consist of 5 to 13 members elected by the board from its own membership by single transferable vote. The president would be the ex-officio president of this committee, and the function of this body would be to carry out the policy of the board.¹ Apparently the committee was intended to be the board's watch-dog over the chairman's administration, but it would also have executive powers of its own, which in its absence would have belonged to the board. Thus in the matter of contracts this committee was to have sanctioning power where the value involved was between Rs. 500 and Rs. 2,500. Contracts above this sum would require the sanction of the board and those below it of the chairman or the executive officer.

The chairman himself was to be elected by the voters directly for a five-year term and would be ir-

¹ *The U. P. Local Self-Government Committee Report*, p. 30.

removable by the board. The committee hoped that direct election of chairman would result in the return of only able and public-spirited men to the office, and so cases of deadlock with the board would be rare, but if a deadlock did arise over the question of supplies, the state government would resolve it by removing the chairman or dissolving the board whichever party was in the wrong.

Criticism

The above proposal was an adaptation of the well-known American Mayor and Council Plan, though the provision for the executive committee and the intervention of the state government to resolve deadlocks were its novel features. The plan provided for the existing major defect of the local executive, namely, its instability, but it had defects of its own. State intervention in local political conflicts, for instance, would place an onerous responsibility on the shoulders of the state ministry, in the exercise of which it is likely to incur unmerited unpopularity. Such deadlocks may arise not only over the voting of supplies, but also in the day-to-day administration. Where relations between the president and the board are strained, he would be constantly overruled and out-voted in all matters wherein the decision lies with the board and

the executive committee. Vesting of the more important executive powers in these bodies in accordance with the U.P. Local Self-Government Committee's proposals, would naturally provide many such occasions of conflict. Intervention of state government on every such occasion would be both impracticable and undesirable. It would greatly weaken the sense of local responsibility and mutual accommodation, the promotion of which is the principal object of local self-government. Secondly, under this system the president would not be subject to any close and effective responsibility. He would of course be removable by the state government, but this power is bound to be very sparingly used, and only in cases where demonstrable breaches of law or administrative propriety have occurred. Finally, the optimism that direct election would return only suitable men for the office, is not borne out by experience elsewhere. Such election would favour the candidates of large and well-organised parties, and unless there is more than one such party in the field, the incentive to put forward the best qualified candidates would be lacking.

Most interesting changes in the local executive took place in the U.P. and Madhya Pradesh. In the U.P., the presidents of both the municipal and

the district boards were made directly elective by the voters, but at the same time an attempt was made to combine responsibility with executive independence by making him removable by a vote of no-confidence of the board according to a prescribed procedure.

In the U.P. notice of a motion of no-confidence must be signed by not less than half of the total number of members and handed over to the District Magistrate by any two of the signatories. The District Magistrate then must convene a meeting neither earlier than 30 nor later than 35 days of the date of the notice. Seven clear days' notice to members of the board must be given by the District Magistrate by registered post. A stipendiary judicial officer was appointed to preside at the meeting which cannot be adjourned for any reason whatever except the non-appearance of the officer deputed to preside. Not more than three hours were given for discussion of the motion and then a vote was taken. If the motion were passed by a clear majority of the total number of the members of the board, the president must either resign within three days, or move the Government to dissolve the board stating reasons. The Government might decide either to ask the president to resign within three days or dissolve the board. If

the latter alternative were followed and the new board constituted after the election again passed a vote of no-confidence against the president by the above procedure, the president must resign within three days or the Government remove him. In case the motion of no-confidence against the president failed, no fresh motion of no-confidence against him could be brought for 12 months. No motion of no-confidence could be brought against a newly elected president for 12 months.

The essence of this procedure was to create a system of checks and balances between the board and an independently elected president. The difficult procedure of no-confidence motions and the president's power to move the government to dissolve the board were designed to ensure that the boards should not lightly harass the president. At the same time it also ensured that against the determined opposition of the board the president could not remain in office for long. This made for his responsibility.

In Madhya Pradesh also the municipal president was directly elected and was removable by a motion of no-confidence. Ten days' notice of such a motion had to be given to the president, and it required a bare majority to pass it. Upon its passage, the president must resign within three

days but at the same time might ask the government to dissolve the board. This the government must concede, and then fresh election of both the president and the board took place and the electorate decided between them. The president with the permission of the Government could also resign on his own initiative if he found his board obstructive and in such case also the board was dissolved and fresh election of both took place.

The Madhya Pradesh plan was more logical and democratic. In this the president if ousted by the board could get the latter dissolved as a matter of right while in the U.P., the Government took the burden of deciding the reasonableness or otherwise of his demand. This was unjustifiable. This is a matter which as in Madhya Pradesh should be left to the electorate to decide.

The Janapada Executive in Madhya Pradesh broke fresh ground in more than one direction. The executive power of the Janapada had been vested in the hands of a Chief Executive Officer who was a member of the state executive service, *i.e.* an extra-assistant Commissioner (E.A.C. corresponding in rank to the deputy collectors of the U.P. and other states) of generally not less than 10 to 12 years' standing. By later orders of the Govern-

ment he was made also the A.D.C. and A.D.M. (Additional Deputy Commissioner and District Magistrate) and as such simultaneously with his Janapada duties, exercised also criminal and magisterial jurisdiction within his area. The tahsildar of the area worked as the secretary for the Janapada Sabha. Some Janapadas (known as minor Janapadas had no Chief Executive Officer in immediate charge of their executive work but had been placed under tahsildar-secretaries who, however, worked as subordinates of the Chief Executive Officer of some neighbouring major Janapada. Out of 96 Janapadas in Madhya Pradesh 39 were major and 57 minor. This distinction had been forced upon the Government by considerations of economy.

The original plan seems to have been to make the Chief Executive Officer the repository of the entire executive power leaving the elective Sabha and its committees merely to make the bye-laws, vote the budget, and criticize and supervise the administration. This role, however, does not seem to have been acceptable to the Janapada members and under the rules six statutory standing committees of the Sabha were set up with important administrative powers. The Chief Executive Officer was ex-

pected to carry out all the resolutions of the committees and the Sabha, but in certain specified kinds of cases he was given the power to demand reconsiderations of committee decisions by the Sabha or even of Sabha decision by the government. The C.E.O. was a government servant and subject to its jurisdiction alone in all matters of appointment, transfer, discipline, etc.

This system introduced into the Madhya Pradesh Janapada, an executive similar to that of the Departments in France. At first sight it looks as though the Janapada executive could disregard the wishes and act independently of the Sabha. Nothing, however, was farther from the truth. Among the members of the Janapada Sabha there were persons who were influential in state politics and Chief Executive Officers were extremely reluctant to give them any cause for complaint. Indeed the real criticism of Janapada executive in the light of actual experience was not that it was too independent or overbearing, but just the opposite. The magisterial work that the Chief Executive Officers did was more to their liking than functioning as the chief executives of popular bodies. They had neither much taste for this kind of work nor much

knowledge of it. The result was that they left much of it to the subordinate Janapada officials like the head clerk, accountant, etc., and quietly signed the papers which were put before them. It could not be said that the Janapadas reaped any great advantage from the experience of expertness of the heads they were given. So long as the Chief Executive Officers had their magisterial duties to look after, they would never put their whole heart into the Janapada work. A beginning in the separation of the executive and if the judiciary, however, was made in Madhya Pradesh, and the trend of future evolution were to relieve the Chief Executive Officers of this judicial work completely, the basic idea of the scheme of providing an expert executive for the local bodies would have been realized.

Another interesting development in the sphere of local executive was the establishment of an executive committee of about 10 members under the U.P. district boards. This was a kind of super-committee vested with powers similar to those of standing committees of corporations. Many of the powers of the boards were delegated to it and it also worked as the finance committee of the board. The original idea was to have no

executive committee except this, but the old practice of departmental committees charged with administrative duties, reasserted itself. In fact, it seems that the English type of committees and the responsible and the removable type of the presidents have struck such deep roots in the Indian soil that it is difficult to uproot them.

Recently both in U.P. and Madhya Pradesh, the experiment of directly elected municipal presidents has been given up and a reversion to the old system of presidents elected by members of the municipal council has taken place. The reason in U.P. was frequency of deadlocks between the members and the directly elected presidents. In Madhya Pradesh the reason was to bring the system in older parts of state into line with that of Madyha Bharat and Vindhya Pradesh, added after reorganization.

In states other than U.P. and Madhya Pradesh, the old type of local executive continues. Its head, the President, is elected by the members of the local council and is removable by them by a vote of no-confidence passed with varying majorities of $\frac{1}{2}$ to $\frac{2}{3}$. The old type of committees also continue.

Local Executive under the Balwantray Mehta's Scheme

Under the Mehta Scheme, the village panchayats would be headed by elective sarpanchas assisted by up-sarpanchas. The panchayat samitis at the block level would have an official—the sub-divisional or revenue divisional officer—as the chairman for the first two years of their existence, and thereafter a chairman elected by the members of the samiti. Executive work would, however, largely devolve on a chief officer who also is likely to be one of the government officials. Finally, as regards the Zila Parishads, the collector will be its chairman, and one of his officers will be the secretary.

It is clear that under the Mehta scheme, except at the village level, the local executive is to be of the official and expert type. This is the inevitable consequence of the blending of the developmental functions with purely local government functions. It is a scheme for association of people or their representatives with the development work, but there is little of genuine democratic decentralization in it. Some of the foreign countries have this type of local executive and we have noted its merits and defects.

If India adopts it, there can be no quarrel with the matter. It does, however, involve a change of values—substitution of official drive and regimentation for the free initiative of the people, and we should have no illusions about the real nature of the change, no matter by what attractive name it may be camouflaged.

Suggestions for the Improvement of the Plan

While it is possible to suggest many alternative methods of reform of the local executive, the adoption of any one of them is bound to be somewhat a leap in the dark. There is the plan adopted by the Bombay Corporation, where the entire executive power is concentrated in the hands of an official, the Commissioner, usually a member of the I.C.S., formerly irremovable by the Corporation, but now responsible to it. This, in essence, is the American City-Manager plan. Its sound working depends upon the amount of restraint which the members of the local bodies are able to exercise upon themselves in order to give the Commissioner a fair chance. Otherwise, instability and short terms result for the executive. If the official is given external protection in the shape of the government's approval being necessary for his dismissal, or special majorities being required for the same,

then to that extent, there will be detraction from the principle of responsibility. The arrangement also deprives the people of effective political leadership in local administration. The English committee system, whereby executive power is parcelled out among a number of virtually autonomous committees of local bodies working in close co-operation with local officials, provides to the representatives of the people the maximum opportunities of participation in local management, and is undoubtedly the best arrangement from the point of view of political training; but its efficient working depends upon the degree of self-restraint, and willingness to be guided by expert official advice, which are largely absent from our traditions of local politics. A political and responsible executive over local bodies already have and they have made a mess of things. It can be stabilized to varying degrees by placing limitations on the right of moving no-confidence motions, and getting the budgets passed by state governments in cases of conflict, but to the extent to which all this is done, such executive loses its responsibility and works independently of the board.

Under these circumstances it appears best to adopt the plan of direct election of an inde-

pendent president as suggested by the U.P. Committee, subject, however, to certain improvements intended to reduce the necessity of state intervention to the minimum possible and to ensure the suitability of the candidates for the office. To secure these objects, it is necessary in the first place to end the dispersion of the executive power and responsibility, and concentrate them solely in the hands of the president. The board should confine itself only to the making of regulations and bye-laws, passing of the budget, and reviewing, criticizing, and investigating into the administration as conducted by the president. There may be a standing committee of the board, meeting at frequent intervals, to assist it in keeping in close touch with the conduct of the administration. This committee may also form sub-committees each presided over by one of its members and each associated with one of the departments, which should supply to such committees all information, reports, returns, statistics, and accounts that they may demand. None of these committees should, however, have any executive power. They should wholly be checking, reviewing and investigating bodies. The concentration of the entire executive power in the president's hands will obviate the necessity of his seeking

the board's sanctions frequently, and thus reduce the occasions of refusal, friction, and deadlock. In passing the budget, too, the board, like the legislatures, should have only the power of suggesting economies and reductions. Secondly, the president should have the right to veto any resolution or decisions of the board even in matters of policy and appropriations which in his opinion are contrary to the public interest or administrative efficiency. Thirdly, certain educational and functional qualifications should be required of the candidates for presidentship. Such candidates must have passed at least the High School Examination, and should have been members of a municipal or district board, or one of the legislatures, for a period of at least 5 years. To prevent hardship in deserving cases, the state government should have the power to waive the educational qualification where the intellectual ability of the candidates is beyond doubt. Finally, since the duties of such a president will require his whole-time attention, it is desirable to pay him. This must be so at least in the district boards and the larger municipalities.

Conclusion

A scheme like this is open to the charge that it sacrifices the principle of responsibility and that it reduces the opportunities for the members of

direct participation in the administration of the board. We must admit that it is so to a certain extent, but our excuse is that any scheme is bound to jeopardise some desirable principle or other, and that the one recommended does the least harm in that respect. The power that the board loses does not pass into the hands of an independent bureaucracy, but to a president who is as directly representative of the people as the board itself. An elected president of this type cannot be wholly free from responsibility, and as a further safeguard we suggest that his term be limited only to 3 years. The educational and functional qualifications will go some way in preventing the election of 'dummies'. Concentration of executive power, is likely to make for administrative unity and efficiency and in conjunction with the veto, to reduce the chances of deadlock with the board. Intervention by the state government will be necessary only when the budget is rejected or drastically mutilated by the board, and it is hoped that knowing this ultimate result in advance, the president and the board will do their utmost to prevent such a contingency.

The presiding officer of the board under this scheme should be different from the president, and he should be elected by the board itself. The

president should have the right to attend the board's meetings and participate in the discussion but should have no right to vote.

The presidents of the smaller bodies like the town area committees and village panchayats should, however, continue to be elected by and responsible to these committees as at present. It is not likely that serious conflicts between the controlling organ and the president in these bodies will arise, so long as the committees remain small and most of the work is done collectively.

8. THE PERMANENT SERVICES

Importance of Permanent Services

However efficiently the controlling and directing machinery of the local bodies may be organized, it will fail to produce satisfactory results unless it has at its disposal, a properly organized body of permanent officials to carry out its orders. It is the permanent services on which the burden of carrying on the day-to-day administration falls.

Experience has revealed three principal criteria of satisfactory organization of the permanent services, namely, recruitment by merit, security of tenure coupled with reasonable scope for promotion, and political neutrality. It is necessary to see whether these tests are satisfied by the existing local services.

Present Condition of Local Services

With a few exceptions local bodies recruit and control their own services. The exceptions relate to certain specified posts more or less of a technical or professional character, which, under the orders of the state government, have to be manned by officers drawn from state services. Such, in the

U. P., are the posts of medical officers of health, deputy and sub-deputy inspectors of schools, many of the medical officers in charge of local hospitals and dispensaries, etc. These services are recruited by the government and are transferable from board to board. They are also independent of the board's control in matters of promotion, discipline, punishment and dismissal. The boards can only demand the transfer of such officials to some other place when they are dissatisfied with them, and have the right to complain and frame charges against them when the occasion demands.

All other local officials are subject to local control: In respect of these, the powers of the state government are limited to three matters only, namely, (a) laying down the qualifications for posts of a technical and professional character, and sometimes also prescribing of salaries or grades for them as in the case of teachers, doctors, sanitary inspectors, compounders, vaccinators, engineering staff, etc., (b) in rare cases, approval of appointments or dismissals made, as in the case of municipal executive officers, and (c) hearing of appeals from officials drawing more than a certain salary in case of dismissal or other punishment. Subject to these restrictions, the boards themselves appoint, control, punish, or dismiss them.

Recruitment

Vacancies in higher positions under local bodies are usually, but not always, advertized, and the selection of applicants is made by the board or the chairman, as the case may be. The power of appointment is vested in the board, the chairman, the executive officer, and sometimes the particular committees (*e.g.*, education) and departmental heads (*e.g.*, medical officer or engineer). Lower posts are sometimes filled out of a list of approved candidates kept by the appropriate departmental head, as in the case of teachers, but most usually according to the discretion of the appointing authority.

Where minimum qualifications have been laid down by the government, the appointing authority is bound by them; but mere observance of these does not constitute recruitment by merit. The real test is the selection of the candidate with the highest qualifications from the applicants. This, however, seldom happens. The appointing authority is usually anxious only to keep on the right side of minimum qualifications laid down, and among candidates possessing such qualifications, its choice is usually determined by political or personal considerations. It is not the best can-

dicate, but he who has the recommendation or support of influential members or other persons, that usually succeeds. For lower posts, appointment by sheer patronage is common. The same considerations govern promotion also.

The result of all this is that the occurrence of a vacancy in one of the higher posts, particularly of the executive officer or secretary, precipitates a veritable crisis in the affairs of the boards. On such occasions there is much bustle and canvassing, and intrigue and wire-pulling. The members of the board split up into rival factions supporting this or that candidate. Sometimes the rival factions are so keen over the contest and so evenly balanced in voting strength, that the post remains unfilled for a long time and the state government has to act in default. The filling of every such post leaves behind it a legacy of ill-feeling and strained relations.

Security of Tenure

In the matter of security of tenure, we must make a distinction between the topmost employees, like the executive officer and the various departmental heads, and the subordinate staff.

So far as the latter are concerned, they enjoy almost as much security of tenure, as members of government services themselves, or perhaps even more, because disciplinary action under the boards is rather difficult to materialize. Every delinquent manages to find for himself the support of some member or other, whose influence is likely to shield him. Employees guilty of inefficiency, neglect of duty, or malpractices like bribery and embezzlement, escape more easily at the hands of the board, than they would from a departmental superior in government services.

The higher officials like the secretary, executive officer, tax and educational superintendents, accountants, etc., do not enjoy the same facility. Their duties are such as to bring them in conflict with the members of the board or their influential constituents, and the result of such conflicts is victimization. The state governments have found it necessary to extend a special measure of protection to such officials, by requiring that resolutions of punishment or dismissal against them shall require a two-thirds majority of the board for their passage, and by giving them the right to appeal against

all measures of punishment. In some states, the government's approval for dismissal of the executive officers, etc., is required. There is however, a complaint that these safeguards though valuable are not quite adequate. An officer in the bad books of the ruling clique may not be actually dismissed, but he may be subjected to numerous pricks, the cumulative effect of which is to render his position intolerable. His promotion may be delayed, his service record may be spoilt, his salary (where not prescribed) may be reduced under the plea of economy, or his post itself (unless obligatory) may be abolished or merged in some other post, thus rendering him superfluous and dismissible. Such victimization may not actually take place but the threat of it is always there hanging like the sword of Damocles over the employees' heads.

Absence of Political Neutrality

The effect of this is very demoralizing. Political neutrality of local services under such conditions is impossible. Since security and promotion depend on placating the members of the ruling clique, rather than conscientious discharge of one's duties, the local officials

naturally try to build up political support for themselves, by making concessions for the members and their friends at the expense of public interest, by personal attendance and flattery, and similar other devices.

Need for Drastic Reform

The foregoing analysis shows a rotten state of affairs in the permanent services of the local bodies which can only be improved by a drastic measure of reform. In extenuation of the board's faults it may of course be said that they have been new to their task and had to work without suitable guidance from above. To the student of administration, however, it is clear that the local bodies, or for that matter any elective bodies, cannot be given more than a certain limited amount of discretion in personnel management. Even the national governments and legislatures are not regarded as fit agencies for recruitment, etc., of permanent services as is shown by the transfer of such powers to more or less independent public service commissions. The need of the situation, therefore, is to apply to the local services, consistently with the principle of local autonomy as far as possible, the usual civil services rules and regulations.

The Suggested Remedy of Provincialization

Of late there is a strong tendency to suggest, that the higher local services should be brought under civil service rules by means of provincialization. It is necessary to note that provincialization of local services means something more than the mere application of civil service principles to them, and that such application is possible even without provincialization. The principal idea underlying provincialization is that the higher local employees, instead of belonging to the separate and independent cadres of various local authorities should belong to a state cadre, recruited by some kind of state agency, subject in all matters of promotion and disciplinary action to some state authority or department, and transferable by it from one local body to another. The main advantages of provincialization are the possibility of transfer, and scope for promotion. Under the existing arrangements, transfer from one local authority to another is not possible without break of service, and for the top officers who have reached the maximum of their grades, there is no further opportunity of promotion,

unless they secure another job under a larger and better-paying local authority.

Proposals of the U.P. Local Self-Government Committee

The U.P. Local Self-Government Committee recommended a scheme of such provincialization. They proposed to organize the superior services of local bodies into two classes, both having provincial cadres. Recruitment would be made by a local self-government public service commission consisting of three members, one of whom would be the president of the local self-government board, and the other two, government officials not connected with the local self-government department. Posting, transfer, control, punishment, etc., would be in the hands of the local self-government board, subject to the officials' right of appeal to the government. The president of the local body, under which an official of these classes is posted, would have the power to grant casual leave, maintain the services record, to censure and warn formally and stop promotion for two years, frame charges for misconduct, and order suspension pending enquiry. If the charges

are not proved, the official concerned would be transferred to another local authority.¹

The local self-government board would also fix for each board its normal strength of staff. It would lay down the qualifications, scales of pay and conditions of service for each class. Promotions from class II to I would also be made by the same agency.

The subordinate services would be recruited by the president or the executive officer out of an approved list of candidates kept by a committee consisting of the chairman, a nominee of the government, and a nominee of the board's executive committee. Control over these would finally be vested in the executive officer and the president.

Objections to Provincialization

The main objection to provincialization is that, it involves a serious reduction in the control of the local bodies over their services. It may be pointed out that the needs of reform may be adequately met even by less stringent measures than provincialization, and in the interest of local autonomy we should adopt

¹ Report of the U.P. Local Self-Government Committee, Vol. II, pp. 45-46.

the latter course. Provincialization may cure those defects of local personnel management which are prominently in the public view to-day, but it is likely to create complications of its own. There is some experience available of the working of such a scheme in the case of the deputy and sub-deputy inspectors of schools, and certain other local officials who belong to provincial cadres, and it is not quite encouraging. There will be a dualism of control and loyalties in such cases resulting often in want of harmony between the local body and these officials. While protection to local officials, where needed, has been granted to them in most countries of the world, no country has thought it fit as yet to nationalize or provincialize the local services. It has been wisely recognized that local autonomy should be the rule, and state control the exception.

Under provincialization complications will arise in connection with transfers. Unless compelled to do so, no local body will be willing to receive an official with a bad reputation from another place, where he has proved to be unacceptable, or to part with a good officer of its own. Compulsion will

impair its responsibility for good administration. The analogy of transfers in government services is inapplicable to the case of local bodies, for the latter represent independent jurisdictions, while administrative subdivisions in the case of the former, do not.

Reforms Actually Made

Although there has been a good deal of talk about it, provincialization of local services has not yet been carried out anywhere. Certain local services, e.g. of the health officers in the U. P. and Madras had been organized into provincial cadres before the reform era and in Madhya Pradesh and Madras, legislative provision was made to provincialize other services too, if the Government think that to be necessary. In Madhya Pradesh an Act has been passed enabling the Government to establish a Local Services Commission which will select candidates for recruitment to all the posts of the local bodies, carrying a salary above a specified amount. Elsewhere things remain as before.

The problems of suitable qualifications, security of tenure, satisfactory pay and training of the personnel received increasing attention in many of the states. In Madhya Pradesh

new rules for recruitment as well as appeals against disciplinary action were issued a few years ago. These rules prescribe qualifications for all the local posts including the clerical, require that no punishment or dismissal of officials carrying a salary of Rs. 150 per month or above will take place except with the permission of the government, and provide for a complete system of appeals for other officials. As a result of the higher cost of living, revisions of pay have taken place practically in every state and dearness allowances given, although on account of the financial difficulties, it cannot be said even now that local scales of pay are satisfactory.

The problem of training of local servants also received attention. In 1941, the University of Allahabad in co-operation with the Government of the U. P., started a post-graduate diploma course for the training of the local employees. In 1949 the Government of Madhya Pradesh also endowed a similar course at the University of Nagpur and a year later followed it up by establishing a full-fledged department of Public Administration and Local Government at the same University which now imparts instruction in these subjects up to the M. A.,

degree. A move for starting similar courses is reported to be afoot in Bihar and Punjab also. The Local Self-government Institute of Bombay has been doing useful work in this field from the twenties, and now efforts are being made by the organizers of this institute to establish an All-India Institute of Local Government.

Local Service under Balwantray Mehta Report

The picture of local services under the Balwantray Mehta report is not quite clear. One thing that is obvious is that like the amalgamation of state and local functions, there would be some sort of amalgamation or at least working together of state and the (hitherto) local officials. The Zila Parishad is not supposed to have (though in fact it has) any executive functions. The question of a separate service for it, therefore, does not arise. Such things as have to be done for it, would presumably be done by the district staff at the disposal of the collector and officers of other development departments at the district level. The panchayat samiti would have two sets of officers at the block and village levels. The block level officers would include the chief officer and various technical officers. These

would presumably be men in, or drawn from government services and beyond any effective control of the samitis. The village level workers would include gramsewaks, primary school teachers and similar other functionaries. These would be presumably in local service. The village panchayats would have no servants of their own except perhaps the secretary. The gramsevak of the panchayat samiti would become the development secretary of the gram panchayat.

Thus the distinction between state and local services which obtains at present would largely be obliterated. The remnant of local services of today would be overshadowed and eclipsed by government personnel working for the local bodies. It would not be provincialization of local services, but a sort of de-localization or centralization.

In Rajasthan where the Mehta Scheme has recently been implemented, a new service known as 'Panchayat Samitis and Zila Parishads Service' has been constituted. It is to consist of village level workers, gram Sevikas, primary school teachers, ministerial establishment, field-men, stockmen and vaccinators. The state

government has reserved the right to encadre in the new service another category or grade of officers.

Some 11000 primary school teachers have been placed under the samitis and the parishads. They constitute the largest category of the staff.

The following are some senior category staff now transferred to the Samitis and the Parishads: secretaries of Zila Parishads who will be Rajasthan Administrative Service Officers, 26; Vikas adhikaris from the junior R. A. S. Service, 232; agricultural assistants, extension officers and others, 200; village level workers, 1400; gram Sevikas, 246; upper division clerks, 400; lower division clerks, 800. This personnel has been taken from 12 state departments.

The Alternative to Provincialization

The alternative to provincialization for purposes of reform, would be a system of safeguards and readjustments at those points of local personnel administration where defects have been revealed by experience, and leave the rest of it intact.

Recruitment

One such weak point of local personnel management has been faulty recruitment. The

defect can be remedied by requiring the local body to be guided by the advice of a local self-government public service commission in filling its higher posts. To allow some latitude to the local body itself in the matter, its president should have the right to point out to the commission any objections he may have against the candidate recommended, and it should be the duty of the commission to give due weight to such objections, and suggest another name if necessary. An alternative arrangement would be that the commission should suggest three names for each vacancy to be filled, arranging them in order of merit, and the president should make the final choice out of them. The former plan would, however, be definitely better, and would in most cases result in the appointment of the best candidate.

Security of Tenure

Security of tenure can be provided for by retaining the existing safeguards. If the plan of local executive suggested in these pages is adopted, the power to punish or dismiss would be vested not in the board but the president, so that the procedure of such punishment being voted for by special majorities of the board would be redundant. Orders of dismissal by the chairman may,

however, require the concurrence of the minister for local self-government or the local self-government board, and for lesser punishment, the officer concerned may be given the right to appeal as at present. There is likely to be less possibility of friction between the president and the services than between the latter and a multiple body like the board.

Transfers

Transfers may also be arranged through the agency of the ministry of local self-government. Presidents wishing for the transfer of particular officials may write to the ministry, which will keep a list of such demands and arrange transfers among the names on such a list. Under such a plan transfers will be confined only to those officers who are not wanted by their several boards or presidents, and no official whom a president wanted to keep will have to go away. It may of course not be possible always to arrange for such transfers forthwith. If, for example, a president wants his tax-officer to be transferred, but there is no corresponding demand by the president of some other board the transfer cannot be made for want of an available substitute ; the demand, however, can be registered and as soon as a similar proposal from some other

board is received, an exchange between the two may be arranged. Normally, it may be expected that there will be enough names on the transfer list of the ministry to enable it to arrange the desired change quickly. Such transfers should not be deemed to involve a break of service.

Promotions

The problem of promotions for the higher local officers can be solved under this plan as well as under a scheme of provincialization. The executive officers of a small municipality may apply for a vacancy occurring under a larger body with higher salary. Since appointment is by merit, he may be selected for the post in question by the public service commission if he is the best qualified among the candidates. If this happens, he should be allowed to join his new post without a break of service, that is to say, in such a case the number of years of service that he has already put in should be deemed to have been spent in the service of the local body he now joins, for purposes of superannuation and other service benefits. If it is desired to increase the opportunities of promotion for officers under smaller local bodies, previous experience of work may be made a compulsory qualification for the superior posts

under larger bodies, thus excluding direct appointments to them. The result in such a case would be the same as if the posts under larger bodies were filled by promotion from among men in service. There is much to be said for an arrangement like this, though it works unfairly against deserving men coming fresh from universities and colleges.

The problem of promotions for local officials is not fully solved either by this plan, or by provincialization as commonly advocated. Officers from smaller local bodies may obtain promotion by being appointed or transferred to larger local bodies, but what about the higher officers of the latter who have reached the maximum of their grades ? Can sufficient avenues of promotion be said to exist for education superintendents of municipalities or district boards, the maximum salary for whom even under the largest bodies does not commonly exceed Rs. 300 a month, when men of similar qualifications in government service may rise to be assistant inspectors or inspectors of schools? The problem of promotions at any level of service is really, never completely solved. 'Large numbers of employees', says White, 'normally ambitious and intent on success in their

vocation or profession and under heavy economic pressure with the passing of the years, face a limited number of higher positions in which vacancies occur at relatively irregular and infrequent intervals. No form of promotion system can solve this dilemma ; the best that can be done is to ensure that the most deserving have the first opportunity and that none are barred from consideration, by artificial barriers.¹ Something can, however, be done even for the officers of bigger local bodies, if the state governments reserve in their appropriate departments a certain percentage of the higher posts to be filled by promotion of deserving local officials. After all, local bodies too are government organs, and their services, part of the services of the government, and there is no reason why the local services should be treated as separate castes barred from all inter-mixing with the services of government. Such officers would be particularly useful in those sections of state departments whose duty it is to supervise the appropriate activities of local bodies.

Conditions of Service

Local services should be subject to the same

¹ White, *Introduction to the Study of Public Administration*, pp. 369-70.

rules and conditions in matters of leave, superannuation arrangements, compensation, travelling and other allowances, as government services, and to secure this, as far as possible the civil service regulations should be applied to them. A definite procedure for disciplinary action, compensation, retrenchment, etc., should be laid down. Normal strength of staff should be laid down for all boards, and standard scales of salaries prescribed. Creation and abolition of all posts other than those of ministerial and menial staff should require the concurrence of the ministry of local self-government.

The Subordinate Staff

The appointment of subordinate staff should be made, where possible, on the results of a competitive examination of a general type, conducted by a committee consisting of the executive officer, and other departmental heads of the local body. Where this method is not quite suitable as in the case of teachers, the head of the department should maintain a list of approved candidates in order of merit, and appointments should be made therefrom. Minimum qualifications in all cases should be laid by the government. In all matters of discipline, etc., the authority should belong to the head of

the department concerned, subject to the right of appeal to the president.

In-Service Training

It is desirable that local officials should have facilities for obtaining the training and qualifications which will equip them suitably not only for their present jobs but also for the higher ones. In this connection it may be observed that in countries like England it is possible for local employees, the vast majority of whom enter service quite early at the age of 16 or so, to qualify themselves while in service for most of the higher positions.¹ This they do by taking up suitable courses and examinations. Coaching is sometimes done in regular classes organized either by educational institutions, or service associations, or the local body itself; but there are also numerous correspondence courses conducted by expert individuals or associations, which impart instruction by post to candidates preparing for certain examinations on the payment of prescribed fees. Local bodies encourage and facilitate the training of their employees by grant of study-leave, payment of fees, and extra increments upon acquiring higher qualifications.

¹ See Hill, *A Century of Municipal Progress*, p. 120.

The advantages of such in-service training are now universally recognized. Even where the training is of a general character, as distinct from a specialized one related to the work of a particular job in hand, it enables the trainee to view his work more intelligently in a wider perspective. He comes to understand how it is related to the local organization and administration as a whole, and what its social significance is. Apart from this, such training and acquisition of higher qualifications improve the officials' prospects of promotion, and benefit the local authority by placing at its disposal a reserve of qualified men from whom it may pick and choose for its more responsible positions. Finally, it improves the tone of the service as a whole. To use the words of Prof. White, "It forces the higher grades to 'keep on their toes' in order not to be put to shame before their subordinates".¹ A properly trained rank and file will usually produce also properly trained supervisory officers.

Unions and Associations of Local Employees

Professional associations of local employees have played a great part in improving the

¹ White, *Introduction to the Study of Public Administration*, p. 367

standards of work and conditions of service. They have served as clearing-houses of information and expert advisers both for the government and the local bodies. They are of all types, service-wise like those of local engineers, accountants, teachers, etc., or of an all-inclusive character like the famous 'Naglo' (National Association of Local Government Officers) of England. The primary object of those associations is not to seek the individual benefits of their members or to take up individual grievances, these being their taboos, but to improve the efficiency and tone of the services as a whole, by advocating suitable methods of recruitment, proper conditions of service, and improved methods of work. To this end they run training institutions and courses for local officials and also seek to educate the public by lectures, talks, and publications. *A Century of Municipal Progress*, to which reference has several times been made in these pages is, for example, a publication of the 'Nalgo'.

Unions of local employees on the other hand work more or less in a trade union spirit and their membership is usually confined to non-professional local services. Their organization

and methods of work are everywhere subject to certain legal restrictions imposed in the interest of uninterrupted functioning of necessary services like those of police, health, water-supply, etc.

Administrative Organisation within the Local Bodies

No discussion of the permanent services of local bodies is complete without a few words on the relationship that is to exist between them and the political head executive, the president. Broadly speaking, the relations between the president and the executive officer should be similar to those between the minister and the permanent head of the department in the state sphere. The duties of the president will mainly relate to the laying down of administrative policy through general rules, orders and directives ; to effect co-ordination by settling points at issue between two or more departments ; to determine questions relating to the organization of various departments ; to control financial management ; to appoint, punish or remove personnel ; to hear appeals from subordinate staff against orders of punishment, etc. passed by the executive officer ; to

supervise the administration generally, and to represent it before the board, the government, and the public.

The executive officer will be the principal adviser and assistant of the chairman in all these matters. All papers and proposals from officials subordinate to the president and all orders from the president to the latter should, according to the usual departmental practice pass through his hands. All the heads of departments should be subordinate to him, and he himself should not be saddled with any departmental duties, so that he may be able to devote the whole of his time to co-ordination, supervision, and control. Normally, the president will act on his advice, or at any rate with his advice before him. In matters of minor importance, the final decision may be made by him, but all matters raising issues of policy, or involving expenditure above a certain amount, or of a new type, or inter-departmental questions, or relations with the board and the outside authorities, will be referred by him to the president. How far the president will adopt his advice will naturally depend upon the personal equation between the two, and no hard and fast rules governing the subject can

be laid down. It should, however, be a great help to good administration if a set of model rules laying down a standard practice on the subject were formulated for the guidance of the president. Blundering interference with details of administration often results from an ignorance on the part of the president of the principles and conventions that regulate the relationship elsewhere between the political head and the permanent officials.

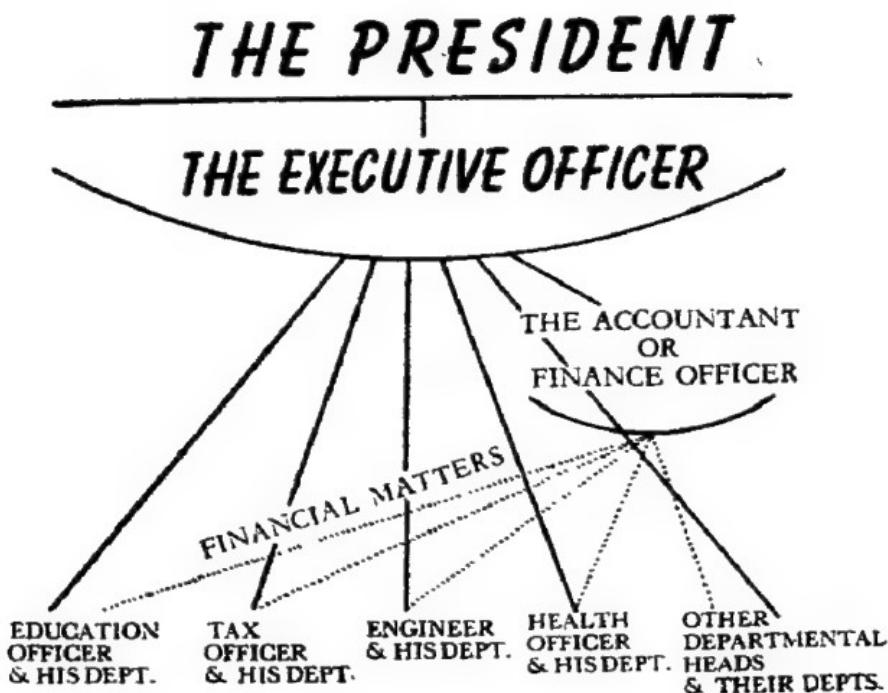
Since the executive officer's will be the key position in the local administrative system, it is of utmost importance that he should be a man of administrative and managerial ability. To a large extent such ability is an inborn gift, but much depends also on education and training. It is desirable that the executive officer of the future should have a knowledge of the principles and methods of public administration and finance. A degree or diploma in these subjects would be a valuable addition to the qualifications demanded of him at the present day. It is also desirable that the accountant, who is the only financial assistant the executive officer has, should be a man of higher qualifications than he is today. He should ordinarily be a graduate with such

subjects as politics, economics, accounts, etc. In larger local bodies, it may also be desirable to appoint a comptroller or finance officer chiefly with financial qualifications, to assist the executive officer in the presentation and scrutiny of estimates, and controlling of financial management generally. Where this arrangement is made, the accountant will hand over to him his duties of scrutiny and control of proposals for expenditure, and claims for payments.

The type of administrative organization contemplated for the boards will thus be a highly integrated one in which orders from the supreme executive descend to the rank and file of officials through a hierarchy of intermediate administrative links. Responsibility under it is concentrated in the hands of a single man at the top, the executive officer, who in his turn is subordinate to his political chief, the president. Independent or autonomous authorities or committees, are incompatible with such an organization. There is no statutory division of powers here between superiors and subordinates as at present. Technically, all authority is concentrated in

the hands of the president from whom it descends in appropriate measure to his subordinates.

The organization can be graphically illustrated thus :



THE PRESIDENT

9. CENTRAL CONTROL

The Forms of Central Control To-day

The forms of central control over local bodies are many and varied. Legislatively, the constitution and functions of local bodies are defined by state Acts, and the detailed application of the Acts is regulated by rules made by the state government. These rules can to a certain extent amplify or restrict the scope of local powers as granted by the legislature. They regulate such important matters as the the number of members for particular local bodies, preparation of electoral rolls and conduct of elections, assessment and collection of taxes, and hundreds of other things. Financially, the sanction of the state government is necessary for the board's proposals of taxation, raising of loans, and in many cases for their budgets. Administratively, the government have the right to information, power of inspection, of sanctioning regulations, bye-laws and numerous other kinds of the board's decisions, of acting in default, of controlling the board's establishments in various ways, of suspending its

resolutions of specified kinds, of hearing appeals from its employees and the public against certain orders, and of removing particular members or the chairman, or dissolving or superseding the board itself. Judicially, they decide controversies between two or more local bodies, and conflicts of jurisdiction between the board and its committees and officers. Audit of the board's accounts is done by a state agency which has powers of disallowance and surcharge. Finally, the courts have the power to interpret the local laws and declare *ultra vires* all local acts in excess of legal powers, unless their jurisdiction has been specially barred in a particular sphere or class of matters.

The Agency of State Control

The agencies for the exercise of such control are the state department of local government, and a number of other departments connected with various branches of the board's activities like education, public works, public health, veterinary work, etc. Since local bodies are many and scattered all over the state, the various controlling departments require field agencies. Such agencies in most cases, e.g. education, health, engineering, etc., consist of the officers of these departments themselves, stationed at district or divisional headquarters. The local self-govern-

ment department, however, has no field agency of its own, and has to utilize for the purpose the divisional commissioners and collectors of the districts, who are officers of general state administration. It is naturally this department with which the local bodies come in contact most in all administrative matters, and which controls all but the technical phases of these various activities. In the day-to-day control over the boards, therefore, the collector and the commissioner figure most prominently. They decide by themselves many of the issues that arise ; but in the more important cases, they act as channels of correspondence between the boards and the department of local self-government, and forward the problems arising to the latter with their own recommendations as to what should be done.

Criticism

Criticism of the present type of state control relates mainly to its nature and extent, and the agency through which it is exercised. As regards its nature, the complaint is that it is formal and negative, rather than constructive and positive. Its object is to check the board's acts and resolutions against the laws, rules, and orders, and to forbid lapses from them rather than to

scrutinize them from the point of view of administrative propriety and efficiency, and suggest improvements needed. All sorts of malpractices take place in the placing of contracts, execution of works, making of appointments, and hundreds of other matters, but they remain undetected and uncorrected. For the purposes of the government, it is enough if the rules of prescribed procedure in the doing of these things are complied with. It is true that the auditors can review the board's transactions from the higher standpoint of propriety and prudence also, but their angle of vision is only financial. The audit is only a test audit, and it takes place when the mistakes are already past correction.

This indicates the need for a closer governmental supervision and control than hitherto. On the other hand, we often hear the cry from the local bodies that government control is already excessive. The truth of the matter is that the legal powers of control of the Government are far-reaching, and occasionally and at certain levels they are so used as to unduly interfere with local discretion. Where, for instance, the government supersedes a board, local machinery is altogether scrapped and a government agency is substituted. The threat of such a

drastic step may be used by the government or one of its local agents to force a board to give up an attitude it may have taken over some matter perfectly within its competence. In any conflict between a board or local officer on the one hand and the government and its agents on the other, the former can always be worsted, no matter what the rights of the situation may be. Such things have occurred, and they are responsible for the popular impression that local self-government in India is a farce. It would, however, be wrong to imagine that normally and usually the control exercised by the state government is excessive. It may be of the wrong type, and exercised in an irritating manner, but really there is too little of it as compared with a country like England. There is hardly any effective inspection of the work of the board's executive officer, engineer, education officer, etc., from the higher technical point of view. The result of this is laxity and inefficiency.

The reason given by the state governments and officers for their failure to make use of their legal powers of supervision usually is, that they have refrained from interference with the local bodies out of respect for local self-

government. This is but half the truth and making a virtue of necessity. The state governments have never had an adequate and effective agency to make their supervision real. Such supervision has been a part-time duty of busy officials like collectors, commissioners, divisional engineers, directors and assistant directors of public health, inspectors of schools, etc., whose main work lies in other directions. They have neither the time nor the specialized knowledge and outlook required for supervisory duties of this kind. "It must be admitted", says Mr. Strickland, "thatthe district officers and others who advise and control the (local) authorities have less knowledge of local administration in principle and practice than is desirable".¹ Particular objection has been taken to the agency of the collectors and commissioners for the purpose of state control. Apart from the small time and appropriate specialized knowledge that these officers are able to apply to their work in connection with the local bodies, they are principal officials of the general state administration on the spot. As such they come in close personal contact with the leading men of their respective areas and form their own attitudes of sympathy or otherwise towards them,

¹ Blunt, *Social Services in India*, p. 366.

often on political grounds. When they come to deal with such persons in local bodies, they are not free from bias of one kind or another. Often they find it difficult to take a detached view of local problems and controversies. It has, therefore, been often demanded that in place of these officers, the local self-government department should set up its own independent agency of local control similar to that of the various technical departments.

There is no doubt that the present agency and methods of state control are not suitable or effective. Had it not been so, local administrations could not have been as deficient as they are today. The need of the situation is the strengthening of the state local self-government department, and providing it with an adequate, whole-time, and expert inspectorate of the general as well as the technical kind.

The Proposals of the U. P. Local Self-Government Committee

The U. P. Local Self-Government Committee suggested the creation, at the State headquarters, of a Local Self-Government Board consisting of a whole-time salaried president, who would be a public man of large experience

in local self-government, and 30 other members, 7 of whom would be elected by the state assembly, 3 by the state council, 10 by the district and municipal board unions, and 10 nominated by the government. The heads of various technical departments like education, public health, works, etc., would be included in the 10 nominees of the government. The board would have an executive committee consisting of the president and 4 other members elected by the board. No officials can be elected to this committee. The board would also have a secretary called the director, 2 deputy directors, and 10 superintendents, all of these being officials. The Local Self-Government Board would exercise all the powers of the government in relation to the local bodies, except such as are specially reserved. Its orders would be appealable to the government. It could delegate its powers to the secretary and the various departmental heads who in the exercise of such powers would act as deputy secretaries to the Local Self-Government Board.

Besides this headquarters staff there would also be 10 divisional head assistants constituting its field agency. The agency of collectors and commissioners for purposes of state control would no longer be used. It would, however, be their

duty as at present to help the local bodies in the exercise of their lawful authority. The appellate powers of these officers would be vested in the courts.

The annual cost of this organization would be Rs. 2,35,100 and it would be met out of grants from the government and contributions from local bodies at a fixed percentage for better supervision.¹

As regards forms of control, all except supersession would be retained. Supersession would be replaced by dissolution according to a fixed procedure. Firstly, an explanation would be demanded. If it be not satisfactory, a warning with specific complaints and suggestions for improvement would be conveyed. If this remained unheeded for 6 months, dissolution would follow. Fresh elections must, however, be held within 3 months for the residue of the previous board's term. Not more than one dissolution within a single term would be permissible.²

Criticism of the Scheme

The Local Self-Government Board as contemplated by the U.P. Committee will be too large and cumbrous a body for the exercise of the supervisory

¹ Report of the U. P. Local Self-Government Committee, pp. 42-43

² *Ibid.*, p. 44.

powers over the boards. In practice these powers will largely fall into the hands of its president, executive committee, and secretary. To be really useful it should be a small body consisting of the minister for local self-government as president, and the secretaries of the various departments concerned with local activities, and about half a dozen public men interested in local self-government, as members. To have a whole-time salaried and permanent president who will at the same time be 'a public man' is impossible. Whatever his antecedents, once he enters the service on a salaried basis, he becomes just a permanent official of the government like any other. The absence of the minister for local self-government from the Board will greatly reduce its prestige as well as its usefulness.

The greatest shortcoming of the scheme, however, is its failure to provide for an adequate inspectorate. In the matter of control over local bodies, the inspectors have rightly been called 'the eyes and the ears' of the central authority, and in their absence the control is bound to be blind and halting. The committee propose 10 divisional head assistants whose function it will probably be to keep an eye over the administration of the board in their res-

pective divisions. If these men are of suitable qualifications they may act as 'general', as distinct from 'technical' inspectors for the boards under their jurisdiction. The state inspectorates are, however, most deficient on the technical side, with the result that in some branches of local activity there is hardly any inspection worth the name. It would be interesting to compare in this connection the strength of the various branches of inspectorate in England with that of the corresponding ones in an Indian state like the U. P. until some years ago.

<i>Service to be Inspected</i>	<i>Number of Inspectors¹</i>	
	<i>In England</i>	<i>In U.P.</i>
Education	(For 21,000 ele- mentary, 1,360 secondary, and 550 technical schools)	(For about 21,000 primary, 1,200 secondary, and 107 technical schools) 29
	340 -	

Or including
also deputy-
and sub-depu-
ty inspectors

¹ The figures are taken from Finer's *English Local Government*.

who work under the district boards

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Public Health	15 Engineering Inspectors, and 50 others	One Director and 4 Assistant Directors of Public Health
Roads	6 Divisional Road Engineers, each with varying numbers of assistants	Chief, Superintending, Executive and District Engineers: about 60

The gross inadequacy of the U. P. inspectorate is not fully revealed by these figures without a few words of comment. In education, which is heavily subsidized by the state government, and where its watchfulness should be very close, it has in fact a state inspectorate of only 29, made up of 12 inspectors and 17 assistant inspectors, including inspectresses and their assistants for girls' schools. Even of these, the inspectors are busy mainly with the Anglo-vernacular schools which are not under local bodies. Local schools fall within the sphere of the 17 or so assistant inspectors, and since these

number more than 20,000, it is obvious that they cannot do any inspection worth the name. They have to depend mainly on the reports of sub-deputy and deputy inspectors of schools, who, as education officers of the district boards, cannot be expected to criticize their own administration frankly. In public health, 4 assistant directors of public health are expected to inspect the health arrangements of 85 municipalities and 48 district boards, besides those of notified and town areas. They can do no more than attend to the needs of a few bigger municipalities. Among the smaller ones there are cases where a health inspection has not taken place for 20 years or even more. At first sight the number of public works inspectors would appear to be larger than in England, but against this it has to be remembered that the English divisional road engineers and their assistants do not construct any roads themselves but only supervise the work of the engineering staff of the local bodies, while the U.P. engineers have to construct the state roads and public works. In practice there is hardly any inspection of the work of the engineers of the board from the technical point of view. On the medical side the Inspector-General of Civil Hospitals and the Civil Surgeons act as inspectors of hospitals and dispensaries, but here again the faulty

arrangement of educational inspection is repeated. The Civil Surgeon holds charge of the sadar hospital. He also has certain jail duties. He, therefore, is too busy to act as an independent inspector.

Central Control and Reforms

No changes worth mentioning have taken place so far in the state control over local bodies. Its agency and method largely remain what they have been hitherto. A tendency to extend this control in new directions was, however, noticeable. In U. P. the Government took the power, in certain eventualities to make the district board's budgets, for them. In Madhya Pradesh, the power to get incompetent local officials dismissed and to restore the reduced or rejected demands in the Janapada budgets on the representation of the Chief Executive Officer was taken by the government. Henry VIII clauses, empowering the government to alter the provisions of the local laws to remove difficulties in their application, are creeping into legislative enactments governing local bodies.

Except in Madras, Bombay and Punjab, local inspectorates are still non-existent. In the U. P. and Madhya Pradesh (pre-reorganization), however, inspectors to supervise the work of panchayats were appointed.

There is no quarrel with increasing central control. Indeed, our view-point is that such increase is inevitable if the local bodies are to work satisfactorily. Our complaint is that in the absence of an adequate and expert agency, such control remains superficial, negative and inefficient.

One interesting trend in external control and guidance is the revival of the interest of the Government of India in the local bodies. In the twenties the Government of India broke such threads of connection between them and the local bodies as had come to exist since the latter half of the 19th century. After 1918, no more resolutions of Government of India on the subject of local government were issued. All this happened on account of a mistaken sense of respect for provincial and local autonomy. The advent of independence and the growth of the developmental activities of the Government have produced a change. In 1950 a Local Finance Enquiry Committee was appointed by the Government of India. Recently, the Union Ministry of Health has begun convening conferences of state ministers of local self-government and issue resolutions and directives as to the future development of the local bodies. The Planning Commission and the Ministry of Communi-

ty Development, in their desire to enlist popular co-operation with the developmental activities, have also felt impelled to devote attention to local bodies, specially, the village panchayats. The Balwantray Mehta Committee report was the result of this new interest.

External Control under the Balwantray Mehta Scheme

One would expect that under a scheme of democratic decentralization, the local bodies would be freer from external control than before. This is not the case. All the old forms of control such as approval of budgets, supersession, dissolution, etc., remain. The Panchayats will be subject to the supervision and control of the Panchayat samiti, the chief officers of which will exercise the same power over them as the collector will in regard to the panchayat samiti. Village panchayats can be superseded, however, only by the state government on the recommendation of the Zila Parishad.

The control over Panchayat Samitis is vested in the Zila Parishad which will approve their budgets, distribute funds, co-ordinate and consolidate their development plans, supervise their activities generally, and exercise disciplinary powers in regard to the specified categories of their staff. Only

the Zila Parishad can deal direct with the State Government or Divisional Commissioner as the case may be.

As regards control over Zila Parishad, it is a body in which government officials at the district level will have a large part to play and of which the collector will be the chairman. As such, it will, for all practical purposes, be merely a cog in the machinery of state administration. Such amount of autonomy may belong to it as the Government with due regard to the exigencies of their policy for the time being may allow, but it will hardly be able to claim any autonomy as a matter of right. Even if the law defines such autonomy, the collector-chairman and official members are not likely to stand up for it against the encroachments of state government. As a matter of fact, government control from 'within rather than from without' is going to be introduced again.

Substitution of the control of higher local body over the lower for the direct control of the state government makes them hierarchical. Hierarchical control is closer, and more interfering. It also means bottlenecks and delays. It may, however, remedy to some extent one defect from which external control over local bodies in India

has hitherto suffered, namely, its sporadic and inexpert character. Officers of Panchayat Samitis will perhaps have a closer knowledge of the problems and shortcomings of panchayats within their jurisdiction than district or state level officers could. The same would be true of the district level officers in relation to panchayat samitis. If closeness of control results in better help and guidance to the local bodies, it would be a gain. In any event, a hierarchical system of control filtering down step by step from the state Government to the remotest village panchayats is a necessary corollary of using the local bodies as agents in respect of developmental activities, and it gives the lie to the assertion that 'democratic decentralization' is going to be practised. It is 'departmentalization' rather than 'decentralization' for the local bodies.

10. LOCAL FINANCE

Sources of Local Revenues

The sources of local income in India as elsewhere consist of rates and taxes, fees of various kinds, income from property and undertakings, and government grants. The municipalities have a large variety of rates and taxes which they may impose. The more important of these are octroi and terminal taxes ; the tax on houses and lands; taxes on trades, professions, and circumstance and property ; taxes on animals and vehicles ; water, lighting and conservancy rates, etc. The district board on the other hand have had a much narrower scope in the matter of taxation. The only taxes they can impose are the so-called local or provincial rate which is a cess on land revenue, the tax on circumstance and property, and, in some states like Madras, tolls. Another important difference between the municipalities and the district boards is, that while the former have unlimited discretion in the rate at which some of their principal taxes like those on houses and lands or octroi may be imposed, and are consequently empowered to vary and increase them as circumstances might require, the district boards are subject to rigidly

defined maxima both in the matter of land cess and tax on circumstance and property.) Thus in U. P. the land cess could not exceed 18½% of the land revenue, while the maximum rate of the tax on circumstance and property was 4 pies in the rupee, subject to the proviso that not more than Rs. 2,000 could be demanded from any one assessee. The position is similar in other states also. The district board revenues, therefore, are much more inelastic than municipal, and the boards have to depend almost solely on government grants for undertaking any expansion or improvement of their services.

Income of Indian Local Bodies

The following tables give the annual income of Indian local bodies from the various sources:—

Income of Indian Municipalities and District Boards in India

for the year 1946-47

Description of the Local Body.	No.	Popula- tion.	Total In- come.	Income from Taxation.	Percent- age to Total Income	Incidence per head of popula- tion.	Incidence of Taxation per head of Population.
Municipalit- ies.	618	21,946,887	₹ 1,819,055	₹ 104,094,627	68.56	6—14—7	4—11—10
District Boards.	176	204,522,250	₹ 55,531,309	₹ 2,229,921	33.58	0—12—2	0—4—1
Total	794	226,469,137	₹ 307,350,364	₹ 156,323,748	50.48	1—5—3	0—10—11

A comparison of these figures of income as between municipalities and district boards reveals certain interesting points. Firstly, the municipalities raise the bulk of their income, *i.e.* 68.56 per cent, from rates and taxes, while district boards rely on these sources only for about $\frac{1}{3}$ of their receipts. This confirms the point brought out earlier, that the scope of taxation for district boards is extremely limited. Secondly, the municipalities depend upon government grants much less than do the district boards, the proportion of these grants to the total income in the two cases being 5 per cent and about 40 per cent respectively. This means that in practice, the district boards have much less financial independence than the municipalities. Finally, there is a great disparity in the per capita income and expenditure of the urban and rural authorities. Municipalities raise and spend per head of their population about nine times of what the district boards do. The residents of rural areas are 9 times worse off than the residents of cities in the matter of amenities of life provided by local bodies.

Expenditure

The following table gives the distribution of expenditure of local bodies in India :

MUNICIPAL BOARDS

Service	Amount (Crores of (Rs.)	Percentage	Incidence of Total
General Administration	1.85	10.5	
Public Safety	1.50	8.5	
Public Health	7.05	40.0	
Public Works	2.35	13.3	Rs.8-0-0
Public Instruction	2.86	16.2	Approximate-
Miscellaneous	2.00	11.3	mately.
<hr/>			
Total(excluding Extra-ordinary & debt)	17.61		

DISTRICT AND LOCAL BOARDS

Education	6.27	38.5	
Public Works	4.20	25.8	10 as.
Public Health & Medical	2.14	13.2	Approximate-
Miscellaneous & Debt	3.61	22.5	mately.
<hr/>			
Total	16.22		

In the scale of municipal expenditure public health occupies the first place, accounting for 40 per cent of it, while under the district boards education is at the top, absorbing 38.5 per cent of the total disbursements. District boards spend a

higher percentage of their income on roads and public works than the municipalities, and a much smaller percentage on public health and medical relief. The incidence of expenditure per head of population both in the case of municipalities and district boards is miserably low in comparison with that of progressive local bodies in the West. In England, for example, the expenditure per head of county boroughs is £7 and 12s., of municipal boroughs £6, of counties £3 and 2s., of urban districts £5 and 10s., and of rural districts £4 and 8s.,¹ as compared with Rs. 8 and annas 10 respectively of Indian municipalities and district boards. The per capita expenditure of local bodies in U. S. A. in 1927-28 was over Rs. 150, and in Japan Rs. 36.

Causes of the Low Income and Expenditure of Indian Local Bodies

The most important cause of the low income of Indian local bodies is undoubtedly the general poverty of the country. The annual national per capita income in England has been estimated at Rs. 1,092; in U.S.A. Rs. 2,053; in Canada Rs. 1,268; in France Rs. 636; in Japan Rs. 271; while in India only Rs. 125. The national wealth per head of po-

¹ Finer, *English Local Government*, p. 56.

pulation in England some years ago was Rs. 6,371; in U. S. A. Rs. 9,356; in Canada Rs. 8,023, in France Rs. 4,581 in Japan Rs. 2,038, and in British India only Rs. 441. This means that India is 10 to 20 times poorer as compared with the prosperous countries of the West. Till the wealth and income of the Indian people increase as a result of economic and industrial development of the country, her taxable capacity is bound to remain low.

A second cause responsible for the poverty of Indian local bodies has been the ill-distribution of resources, as between them and the higher authorities—the state governments and the Government of India. In England the local bodies incur about 33 per cent of the total national expenditure, in U.S.A. about 54 per cent, while in India only 20 per cent. This means that the higher governmental authorities in India have appropriated to themselves some of those sources of revenue and objects of expenditure, which in other countries are entrusted to local bodies. Taxation of land, for example, is largely left to the local bodies in other countries, while in India it is mainly appropriated by the state governments. On the expenditure side, services like police, certain aspects of education (e.g. Anglo-Vernacular and Secondary), etc., are state

subjects in India, instead of being local as in many other countries.

Thirdly, we must take into account also the unwillingness of the local authorities to impose taxes even up to the limit that is feasible. Thus in the case of tax on houses and lands, not only the rate at which it is levied (seldom exceeding 10 per cent of the annual value), but also the valuation on which it is assessed, is kept very low. The causes of this are many, e.g. the incompetence and dishonesty of the assessing staff as in the case of tax on houses and lands, the dominant influence in the local body of the class affected by the increase as in the case of land cess under district boards, the unsuitability of the tax itself as in the case of tax on circumstance and property under the district boards ; and so forth. But the fact remains that Indian local bodies have not made full use of the taxation powers vested in them.

Finally, we must take into account the comparatively undeveloped character of trading services and enterprises under Indian local bodies. These enterprises in other countries swell both the revenues and the disbursements of local bodies. Not until water and electric works, transport

enterprises and similar undertakings, become the rule rather than the exception as they are at present, can the financial transactions of our local bodies be of the same magnitude as in foreign countries.

Local Borrowing

One of the greatest obstacles in the development of local enterprises and services in India has been lack of due facilities for borrowing. As is well known, local bodies raise the capital needed for their enterprises by borrowing. Under the Local Authorities Loans Act 1914, Indian local bodies as a rule cannot borrow for terms longer than 30 years, except with the special sanction of the Government of India. For borrowing in the open market also, similar sanction is required in regard to loans exceeding 5 lakhs. The rate of interest charged is also largely in excess of the prevailing market rate, and it does not vary automatically with the latter. In England the period of loans varies from 20 years or less to 80 years according to the productive or unproductive character of the enterprises.¹ The gross outstanding debt of all the English local authorities in 1929-30 amounted to 1,224.7 million pounds, and it had been contracted to finance the expansion and equip-

¹ Finer, *English Local Government*, p. 304, footnote, 2.

ment of no fewer than 20 different kinds of local services.¹ Figures of total outstanding debt of local bodies in India are not available, but it is chiefly the municipalities that are allowed to make use of credit, borrowing in the case of rural authorities being infrequent and negligible. The outstanding debt of the U. P. municipalities in 1939-40 amounted to Rs. 1,22,64,367, *i.e.* less than a million pounds. Assuming the same scale of municipal indebtedness for other states as well, many of which are much smaller than U. P., the total indebtedness of municipal and rural boards for the whole of India can hardly exceed 20 million pounds. The contrast between local bodies in England and India in this matter is even more glaring than in regard to the revenue position. Total local debt in England is more than 60 times of that in India. The purpose of local loans in India is connected with only two or three objects, namely, water supply, drainage, roads, and markets. Here we have no loans for education, hospitals, etc., and very few for housing or town-planning schemes.²

Government Grants

Government grants in India have generally been determined in the past on the basis of the expendi-

¹ *Ibid.*, p. 381.

² Apart from those granted to improvement trusts.

ture of the local bodies for the time being. In this country no attempt seems to have been made yet in any state to correlate the grants to the ascertained needs of the various areas, as was done in England by the inauguration of the exchequer grants in 1929 and of the Equalization Grants under the Local Government Act 1948. The result of the Indian system is to condemn backward areas and districts to almost perpetual backwardness. Moreover, apart from education, there is hardly any local service that can be said to be systematically aided by the government.

Proposals for enlarging the Resources of Local Bodies

The problem of improvement of local finances has been studied and reported upon by a large number of commissions and committees from time to time. We may pass in brief review over the recommendations of the more important of these bodies.

The Taxation Enquiry Committee 1924 made the following recommendations to add to the resources of the local bodies :

1. The land revenue should be standardized at a low rate of 20 or 25 per cent of the rental to allow greater scope for local taxation of land. {This

proposal was of outstanding importance for rural local authorities which depend for their revenue mainly on the land cess.

2. The state government should make over to the urban bodies a large share of the ground rents in towns. Non-agricultural land in towns should be more adequately taxed for the purpose.

3. Municipalities should be enabled to tax advertisements.

4. Special assessments should be resorted to both by urban and rural authorities to finance improvement schemes.

5. The scope of taxes on entertainments, betting, etc., should be extended and their proceeds should be made over to the local bodies.

6. The tax on circumstance and property, trade and professions, etc., should be improved, specially in regard to the machinery of their assessment and collection.

7. Motor vehicles should be taxed by states and the yield of the tax should be distributed among local bodies.

8. In selected areas, local bodies should levy a fee for registration of marriages.

9. The scope of grants-in-aid from government should be extended to include services of national

importance, and these grants should be based on some simple and easily intelligible basis.

10. Where possible octroi should be replaced by direct taxation, e.g. increased taxation of houses and lands, levy of professions tax or sales tax and the like. Otherwise, octroi should be improved with a view to making its burden on trade light and uniform.¹

The U. P. Local Self-Government Committee 1938, made the following proposals on the subject :

1. The limits of the local rate, i.e. the land cess should be enhanced and if that is not possible, the rate should be levied at the maximum legally permitted.

2. The tax on houses and land should be levied in the rural areas also (excluding agricultural land), and its proceeds should be given to panchayats and town areas. Other municipal taxes also like those on trade and callings, professions, sale of goods, vehicles and conveyances plying for hire, etc., should be introduced in rural areas for the benefit of panchayats and town areas.

3. A tax on money-lenders should be imposed both in urban and rural areas.

¹ *Taxation Enquiry Committee Report*, paras 194 and the following.

4. In the case of municipalities taxes on luxuries, entertainments, betting, sale of goods, commercial advertisements, etc., should be introduced.

5. The government should contribute to local bodies :

(i) their due share out of the motor tax and petrol duty,

(ii) a share out of the receipts from court fees, and

(iii) $\frac{1}{16}$ of the revenue from stamps by way of a surcharge on existing rates.

6. Government should prescribe fees to be levied at the time of mutation of names in the proprietary khewat according to a sliding scale and the fees should be made over to the district boards.

The revenues of the panchayats would come from the following sources :

(i) A tax of 5 per cent on tenants' rentals.

(ii) A tax on zamindars varying from 5 to $7\frac{1}{2}$ per cent of the rental according to the amount of revenue payable by them.

(iii) Contribution by the government at 5 per cent of the land revenue demand.

(iv) Contribution by the district boards of 25 per cent of the land cess.

(v) Other taxes mentioned above, i.e. on houses and lands, vehicles, etc.

(vi) Fees and fines realized in connection with the judicial work.

(vii) A labour tax in lieu of the tenant rate where necessary.

Local Finance Enquiry Committee 1950

This Committee was appointed by the Government of India to make recommendations on the problems of local finance. After an exhaustive investigation, it made the following more important recommendations :

1. The net proceeds of terminal taxes (item 9 of the Union list) and of a number of taxes from the state list should be made available exclusively for the local bodies. The new items, the transfer of the proceeds of which from state government to local bodies was thus recommended, were taxes on mineral rights, on sale of electricity, or advertisements, taxes on goods and passengers carried by road or waterways, capitation taxes, and taxes on entertainments.

2. The Property taxes should be improved and a minimum compulsory rate should be laid down for them. The state government should withdraw from this field. The machinery of assessment

should be improved. If government property is exempted from local taxation, the government should compensate the local bodies for the loss of income thus caused.

3. The government should see that the income of rural local bodies from the land cess should not suffer on account of abolition of zamindari. The responsibility for its payment should be clearly laid down either on the government or the tenants, as might appear suitable.

4. Terminal tax should be transferred from the Union to the state list or alternatively, proposals to levy it by local bodies should be favourably considered by the Government of India.

5. The limit of Professions tax for the local bodies should be raised from Rs. 250 to 1000.

6. The liability of railways to pay both general and service taxes of local bodies should be recognized.

7. Taxes on mines and quarries on the basis of the output, should be permitted.

8. Machinery for the collection of local taxes should be improved.

9. Assignment of revenue should be preferred to grants-in-aid. The grants-in-aid should be retained only to redress the inequality of resources.

Fifteen per cent of net proceeds of land revenue should be assigned to the district boards.

Taxation Enquiry Commission Report 1954-55

Volume III of the report of this Commission dealt with the problems of local finance and made the undermentioned recommendations :

1. A sound system of local finance should as a rule, rest on a sound foundation of local taxation.

2. Certain taxes should, in effect, be reserved solely for the local bodies, even though formally they figure in the state list in the constitution. These taxes are the usual ones hitherto exploited by the local bodies, e.g. taxes on lands and buildings, animals and vehicles, professions and trades, etc. The tax on advertisements other than in newspapers should also be added to the list.

3. Grants-in-aid should be preferred to assignment of shares of taxes as a method of financing local bodies. One-fourth of the proceeds of Motor Vehicles tax and 15 % of land revenue should, however, be assigned to the local bodies.

4. Local bodies should be encouraged to take up public undertakings of a commercial nature so as to augment their non-tax resources.

5. Grants-in-aid should consist of a basic grant for general purposes sufficient after taking

into consideration their own resources, to enable local bodies to meet their obligations. This grant should be assured over a reasonable period of years, 3 or 5. In addition, there should be specific grants for particular services subject to the condition of a minimum standard of efficiency.

6. A liberal loan policy and a more general system of government guarantee of municipal loans should be followed.

7. The land cess and duty on transfer of property are the only taxes suitable for rural local bodies. Any additional finances required by them should be given by way of grants-in-aid.

8. Tax administration of local bodies should be improved and to that end, chief executive officers should be appointed to all municipalities. Their selection and appointment should be in the hands of the government.

Besides these, the Commission also made detailed recommendations regarding the existing local taxes, their assessment, collection and other connected matters.

Local Finance under Balwantray Mehta Committee Scheme

The sources of income for the village panchayats under the Balwantray Mehta Scheme would

be after the existing pattern. They would consist of house tax, taxes on markets and vehicles, octroi or terminal tax, income from cattle pounds, fees for registration of animals sold and grants from the Panchayat Samitis. Selected village panchayats might be entrusted with the work of collection of land revenue, and be paid a commission for it. It would receive from the Panchayat Samiti a statutorily prescribed share, up to $\frac{3}{4}$ of the net land revenue assigned to the latter.

The Panchayat Samitis would have the following sources of revenue :—

- (i) A specified percentage of land revenue collected within the block.
- (ii) Cess on land revenue.
- (iii) Taxes on professions, trades, etc.
- (iv) Surcharge on duty on transfer of immoveable property.
- (v) Net proceeds of tolls and leases.
- (vi) Pilgrims tax, tax on entertainment, primary education cess, proceeds from fairs and markets.
- (vii) Share of Motor Vehicles Tax.
- (viii) Voluntary public contributions.
- (ix) Grants made by the government.
- (x) Rents and profits from property.

Besides these, all central and state funds spent in a block area would be assigned to the panchayat samitis to be spent by it directly or indirectly.

The Zila Parishad has of course no funds or budget of its own because it is not supposed to have any service or executive functions.

Criticism and Suggestions-

Some of the proposals of these committees are exceedingly useful and must be adopted if the local bodies are to have adequate funds. It must, however, be borne in mind that a few elastic and productive taxes are as a rule preferable to a multiplicity of imposts producing small amounts and pressing often on the poorer classes of people who can ill afford to pay. Their equity is often doubtful. They are costly in collection, and complicate the local tax administration greatly. It would be out of place here to enter into a discussion of the canons of local taxation. We may only mention that ability to pay, rather than the amount of benefit received, is the true criterion of allocating tax burdens according to present-day notions of social policy. Secondly, unearned income or wealth which comes into existence as a result of the operation of social forces should increasingly be diverted to the coffers of the community to be used for

the benefit of all. Finally, the local bodies should so regulate their affairs that in course of time, they should be able to depend largely, if not wholly, on their own income from property and undertakings instead of taxation.

These considerations point first of all to the abolition of indirect taxes like octroi which tend to fall on the rich and poor alike, and constitute a burden on trade. Some of our states like Bengal and Madras do not make use of it, and in others also it used to be the accepted policy of the government to abolish it gradually. This policy seems to have been relegated to the background if not abandoned nowadays. Still, octroi, is a tax which should not be allowed to remain.

Secondly, in urban areas where alone octroi is in force, the scope of the tax on houses and lands should be extended to make good the loss resulting from its abolition. The present tax on houses and lands is literally what its name indicates, namely, an impost on the annual rental of premises occupied. It has no reference to the means of the occupier or owner. The result is that the rate at which it is imposed and its yield are very low. It should either develop into a general circumstance and property tax, like the English rate, or should invariably be supplemented by a circumstance and

property tax or a trades and professions tax. Since the assessment of these taxes at present is very unsatisfactory and they are also subject to rather small maximum limits imposed by law, it is suggested that they should be replaced by a local income tax, which should be a surcharge within legally fixed limits on the national income tax, and should be assessed and collected for the local bodies by the income tax authorities along with their own demand. There are, no doubt, certain objections of principle against a local income tax. The income of many persons is derived from more than one place, and the difficulty is which of these several localities is to tax them. The difficulty is not, however, insuperable. We may, for example, adopt the rule that a person shall be taxed by the locality where he resides.) If the local income tax is in force both in the urban and rural areas, he cannot evade it by migrating to a tax-free locality. If the local area where a person's business is carried on loses by this arrangement (assuming that he is an absentee landlord or businessman), it may be compensated by taxing those who may be residing within its area but whose business is carried on elsewhere. It is impossible to regulate human affairs in perfect accord with the niceties of economic or political theory.

Thirdly, local bodies should be enabled to tax increments in urban land values at a fairly high percentage. This increase is created by the growth of the community and the civic amenities provided by the local bodies, and as such it rightly belongs only to them.

Fourthly, municipalities should be enabled to make use of special assessments to finance improvements benefiting real property.

In the case of the rural authorities, it is imperative that they should have much greater freedom to tax land than at present. The ideal arrangement would be to give them the same latitude in the taxation of rural land and buildings, as the municipalities have in respect of urban land and buildings. The state government should endeavour to reduce their demand as suggested by the Taxation Enquiry Committee. They should recoup themselves for the loss by the imposition of agricultural income tax and succession duties and other means. For taxation of non-agricultural classes a local income tax by way of surcharge on national income tax has already been recommended.

Two other measures appear to be necessary to rehabilitate local finances. These are applicable to urban as well as rural authorities. Firstly, the

provisions of the Land Acquisition Act must be so liberalized as to permit local acquisition of land for general, as distinct from specific purposes only. The object is to make the municipalities and the rural local bodies corporations owning buildings and land. This will not only transfer to them the rent income that now goes to private individuals but will also enable them to improve housing and agricultural conditions more effectively than they can do at present. In this, of course, they must proceed gradually and fair compensation to the owners must always be paid.

Secondly, more liberal conditions for local borrowing must be provided. Loans for longer terms than 39 years should be sanctioned where needed. Among the legitimate purposes for loans should be included acquisition of property and estates likely to be of social benefit. Rate of interest must correspond to those prevailing in the market. Borrowing in the open market should be more widely permitted.

Thus provided with land and capital, local bodies will be able to embark on extensive schemes of housing, town and country-planning, scientific agricultural farms, power supply and transport

undertakings, and the like. These will help their finances and contribute at the same time to the social and economic well-being of the country.

Finally, it must be emphasized once more that merely new forms of taxation will not help the local bodies much, unless the resources of the people to be taxed materially increase as a result of an active policy of economic development pursued by the state. The various local services and amenities, however, will be an important factor in such development and the local bodies can also directly play an important part in pushing forward the schemes of economic and industrial reconstruction. It is in this context that the above taxation proposals are to be understood.

Budget Making and Control of Expenditure

When local bodies develop into big concerns, running numerous enterprises, managing large estates, and handling big amounts of funds, the present slipshod methods of budget-making will not do. It is notorious that at present the budgets of a large number of local bodies are ill-constructed, having no financial policy underlying them, and are not even passed in time. Under the future order of things, the responsibility for the preparation and presentation of the budget, as in most other

cases now, will be of the president ; but if he is to do his task efficiently, and later on to regulate expenditure according to the sanctioned appropriations, he must be aided and advised by a competent financial expert called 'comptroller' or by some such suitable designation. It should be the task of this officer to review and put together the estimates coming from the various departments. He will advise the president as to where economies are to be ordered, and where extra expenditure is to be encouraged. The duties of this officer must be purely of a staff character, *i.e.* he should only advise the president and should not have any authority to issue direct orders to any of the board's departments or officers. The final decisions in regard to estimates to be presented should always be taken only after the changes suggested have been discussed with the heads of the various departments. Finally, the budget will be considered and voted by the council. As suggested in a previous section, the councils should only make reductions and the president should have the power to veto any changes made by the board, that appear to him to be in serious conflict with the general tenor of his financial policy. Should a deadlock result, the final power of decision should be in the hands of the state government.

It is in the interest of economy and efficiency that the council should vote budgetary grants in lump sums rather than by detailed items. To secure the observance of the budget provisions and the propriety and prudence of expenditure, the comptroller will carry on a scrutiny of all proposals for expenditure emanating from the officers in charge of all services and advise the president whether they should be sanctioned. He will also pre-audit all the claims for payment and will bring to the notice of the president violations of any of the financial or accounting rules. In smaller local bodies where a separate and full-time comptroller would not be justified, these duties of financial control would chiefly devolve on the accountant and the executive officer as at present.

Audit

For the audit of local accounts, the present arrangements, *i.e.* scrutiny by the auditor belonging to the state establishment of the Examiner of Local Fund Accounts, should continue. With the maintenance of internal checks by the comptroller, this audit may continue to be only a test audit as at present. The auditors should have the power to surcharge and disallow expenditure, but their orders should be appealable to the state governments and the courts as at present.

II. SOME CONCLUDING OBSERVATIONS

The major constitutional issues of local government reform with which we started have now been discussed and certain suggestions for their solution have been put forward. It only remains now to say a few words regarding certain miscellaneous matters which could not appropriately come under the foregoing heads of discussion, but which are nevertheless of too great an importance to be omitted altogether.

In the first place, it was very regrettable that state autonomy should have meant severance of all connection between the Government of India and local self-government as had been the case since 1919. Of course local self-government is and must remain a state subject ; but just as in the case of education and health, the Government of India should maintain some central organization for purposes of co-ordination of policy, research, and collection of statistics and information on local self-government. The Government of India can look at the problems of local self-government policy with a detachment and breadth of view which it is not possible for the state governments to

command, and their resolutions on the subject in the past have had a beneficial effect on local progress. It is, therefore, suggested that there should be a local self-government section also in the department of health to undertake the duties mentioned above, and that the Government of India should periodically review the progress of local bodies in the country and offer such advice and suggestions as may seem to be necessary for further advance. It is good that in recent years the Union Government have moved in this direction and the Ministry of Health, Planning Commission, Ministry of Community Development etc., have begun taking an interest in the matter. This interest should continue.

In the second place, the state government should ensure greater publicity for local affairs and proceedings than is the case at present. This can be done by giving fuller information about the local bodies in the annual reports on their working than is found in them at present. These reports are very sketchy as regards the descriptive matter and the statistical tables they contain. The present reports on the working of municipalities and district boards give only the statistics regarding constitution, income and expenditure. It is impossible to find out from these reports the mileage

of roads that particular local bodies maintain, the number of medical institutions they maintain, the strength of the various kinds of staff they employ and similar other matters. No figures of municipal or district board electors or the percentage of them that voted at any particular election are given by the reports even for the election years. It is true that facts and figures regarding certain activities of the local bodies are to be found in the reports of the state departments like education, health, etc., but we cannot expect the citizens to take the trouble of hunting out information about the local bodies in a large number of departmental reports. It is worthwhile, even at the cost of some duplication, to gather all the relevant information about local bodies in the annual reports on their working. In some state no annual report is published regarding the panchayats, town areas, etc. There is no justification for this omission. Since the annual administration reports of particular local bodies are cast in the mould of state reports, they are equally uninformative. Also, the reports are published very late. They should be more prompt.

Local proceedings are seldom published satisfactorily. Often they appear in some little known local weekly or monthly which very few people read. Even the municipalities and district boards

which have good daily newspapers published from their headquarter towns do not take advantage of them to publish their proceedings. In this connection the arrangement of the Allahabad Municipal Board to get its proceedings published in special supplements of the *Leader* deserves commendation. Other local bodies should follow this example and make arrangements with leading English and Indian language dailies and weeklies of the state for the publication of their proceedings. No effective public opinion on local matters can be created till this is done.

Thirdly, it is necessary for the state governments to help the members of local bodies by placing at their disposal the local rules and laws in an easily intelligible form. Most of the members do not have adequate knowledge of English to understand the various manuals which are prepared in that language. Authoritative translations of these manuals in Indian languages should be made available to the members and the public, if they are to understand their powers and duties. Guides to local work and administration should be prepared by experienced officials or other competent persons and published and distributed by the government. It is a matter for shame that after more than half a century of the working of local bodies, there is not a single pub-

lication wherein one can find the local self-government arrangements in the various states adequately described. The universities, the state governments, and even the Government of India should look into this matter.

Finally, the subject of local government should receive, greater attention in the courses of schools, colleges and universities. Commenting on the neglect of this subject in India, Mr. Webb (the late Lord Passfield) said about forty years ago, "I do not know how many of the couple of hundred university colleges in India have even one course of lectures each session describing the history, organisation, and functions of local government in India or elsewhere. I have not heard of the foundation of any Professorship of Local Government. I wonder how many books on local government are to be found in libraries to which the Indian college students have access. How often have provincial Directors of Education called attention to this omission? It would be interesting to enquire how frequently any problem of local government has been given as a subject for an essay, or made the topic for discussion at a debating society".¹ Things are not quite so bad

¹ In the Foreword to John Matthai's *Village Government in British India*, 1915.

now as when these words were written but there is no remarkable improvement either. One reason for the backwardness of the study of Indian local self-government in our schools and colleges has undoubtedly been the lack of suitable literature on the subject. This want is still there and the Government and the Universities should make an effort to remove it. Till the educated men remain uninformed on the subject, no hope of improvement in local administration can be entertained.

12. THE FUTURE OUTLOOK

The Future Outlook

Today the system of Local Self-Government in India seems to be in the melting pot. This is specially true of rural local government, although even the urban local bodies except the biggest, are not likely to remain unaffected. Today, the scheme suggested by the Balwantray Mehta Committee holds the field and legislation to implement it is on the anvil in Andhra Pradesh, Punjab, and U. P. Rajasthan has recently put such legislation on its statute book and the new scheme began functioning there from September 10, 1959.

The sentiment in favour of a national as well as local constitution, Indian in character and in conformity with the genius, traditions and requirements of the country, was strong in certain quarters ever since the advent of independence. The sentiment was voiced in the course of the discussions of the Constituent Assembly, but the constitution as finally adopted does not seem to have been much influenced by it. The reason probably was that nobody had an exact idea of what a constitution of the strictly Indian pattern would be, or how it would work under the modern conditions. It was,

however, different with local government. Here, the tradition of self-government village panchayats was vivid and strong and had loomed large in the discussions on local government ever since the days of the Descentralization Commission (1906). There was at least one thing definite about it—more power and functions to the village panchayats.

The first major breach in the citadel of the local government system inherited from the British days was made by the Madhya Pradesh Local Government Act 1948, which ushered in the Janapada Scheme. The essential features of that scheme were two—first, the abandonment of the district as the principal area of rural local Government in favour of a smaller area, the tahsil, and secondly, a large-scale devolution of the functions, financial resources, and administrative personnel of the State Government to the Janapada Sabhas. The scheme was never implemented in its entirety, but it caught the imagination of the state governments and people. Orissa and Bihar put forward schemes of Anchal Shashan conceived after the pattern of Janapadas, though the Anchal was to be smaller than the Janapada area—the tahsil.

A second force working in favour of the change was the cumbersomeness of direct elections for the local bodies on the basis of adult suffrage.

They would be more or less a repetition of national and state general elections, and would involve the same trouble and expense. Indirect elections to local bodies began, therefore, to look attractive. Direct election of an informal kind could be allowed for village panchayats without much trouble. Local bodies of higher level would be elected by the members of the panchayats. Incidentally, this scheme would also favour large and well-organized parties with organisational cells in every village against those not yet so well-organized. A party able to capture the panchayats at the base, could automatically capture the higher local bodies also. Both from the point of view of election gains, and election funds, the scheme appeared attractive.

But the greatest force working for a total reorganization of rural local bodies was the exigencies of the developmental work undertaken by the government. Popular co-operation and participation was a fundamental requirement of community development. If local bodies could be roped in and connected with development work, they, being nearest to the people, might be able to ensure active interest and participation of the people. This is what the Balwantray Mehta Committee recommended and this is the reason why its recommenda-

tions have become so influential in official circles. An attractive name—democratic decentralization—is intended to appeal to popular imagination.

There is no doubt that local government will soon be reorganized along the lines recommended by the Balwantray Mehta Committee in all the states. Some states have already undertaken legislation for the purpose; others are likely to follow suit. The broad features of the scheme would be reproduced everywhere but variation of details might occur. One such variation which the Balwantray Committee itself had to recognize and accept was that a body at the district rather than the block level might be the principal unit of rural local government and power might be devolved to it. This was done due chiefly to the insistence of the Government of Bombay. The alternative is permissible subject to the following conditions :—

- (a) The district body is fully empowered by statute on the same lines as the Panchayat Samiti though on a correspondingly larger scale.
- (b) Funds, powers of taxation, field staff and supervisory staff available be on the same lines as for the panchayat samiti.
- (c) The district body will operate directly only in non-block (*i.e.* non-panchayat samiti) areas

or in matters of interblock character and in respect of district level activities and institutions. In respect of block areas, the district body would function through *Panchayat Samitis* and transfer to the latter all funds meant to be spent within the block.

(d) The district body is so constituted on a purely elected basis as not to become too large an instrument of effective rural development.

(e) If feasible, similar arrangements may also be worked out, as an alternative, for a body at the sub-divisional level.

It would be good if some of the states adopted this alternative pattern of an elective body at the district level. It would mitigate the rigid uniformity which would otherwise prevail and offer some data for comparison and contrast in the working of the new system.

Two cardinal features of the Balwantray Mehta Scheme of local government are the fusion of the traditional local functions and state functions in the hands of the same agency, and the officialization of that agency to a greater extent than before. In many of the continental countries such a system of local government prevails. Now we too are going to adopt it, and making a break with the

Anglo-Saxon pattern which we had hitherto followed. Perhaps our system in its future working will approximate more to Russian model than any other. In Russia local bodies are 'local organs of central power' and the pervading spirit is the so-called 'Democratic Centralism'. We will call our system by a different name—'Democratic Decentralization', but whether that will mean much difference in actual working remains to be seen.

There is little doubt that much of the drive and initiative in the working of Balwantry Mehta Scheme will come from the government and its officials at the various levels. The human resources for leadership at the village and block level will be meagre. They will be useful as agents, but hardly as principals and masters. Planned development and local democracy do not go well together. Popular participation can be secured, but not voluntary or spontaneous co-operation.

Voluntary co-operation through local bodies is possible only if the local bodies themselves have become centres of people's loyalty and faith. They can become such centres only when they are fully democratic and autonomous. Under the old system the local bodies did have some reputation of being popular and autonomous and they did

enjoy a certain amount of popular loyalty and attachment. Indirect elections and officialization will act as a retarding rather than accelerating factor in this respect.

The Balwantray Mehta Scheme is an experiment. Every experiment has its hazards as well as promises. The hazards have been freely mentioned in the preceding pages. On the promise side, it may be mentioned that official drive and supervision may galvanize the local bodies into greater and faster activity than before. They have access to the people who may be easily reached through them and goaded into carrying out the developmental activities at the required tempo of the plan. That is perhaps the need of the hour. Speed and efficiency are the values which have precedence over autonomy and self-government in the present context of things. As an expedient for the moment, therefore, there may be a great deal to be said in favour of the scheme. The eternal values of liberty, self-government, and popular initiative, however, must not be forgotten, and they must be restored to our local government system after the pressure of the moment is relieved.